

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents,
San Bernardino Associated Governments
(SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient,
multi-modal transportation system
- Strengthen economic development
efforts
- Exert leadership in creative problem
solving

To successfully accomplish this mission,
SANBAG will foster enhanced relationships
among all of its stakeholders while adding
to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996

TABLE OF CONTENTS

EXECUTIVE DIRECTOR'S BUDGET MESSAGE	1
INTRODUCTION	
SANBAG and the Community It Serves	12
FINANCIAL SECTION	
Budget Process.....	15
Budget Adoption.....	16
Budget Roles and Responsibilities.....	16
Budget Amendments.....	17
SANBAG Committee Structure Chart.....	18
Financial Overview	19
Financial Policies	19
Estimated Revenues	21
Debt Summary	26
Debt Financing.....	26
Debt Service Schedule	27
Debt Capacity Analysis.....	27
Major Projects Measure I Cash Flow.....	28
Estimated Revenue Illustration	29
Estimated Revenue Schedule	30
General Assessment Dues.....	32
Indirect Cost Allocation.....	33
PROGRAM SECTION	
Program Overview	34
Budgeted Expenditures Illustration.....	35
Air Quality and Traveler Services Program Budget	36
Transportation Planning and Program Budget.....	37
Major Projects Delivery Program Budget.....	38
Transit/Passenger Rail Program Budget	40
Transportation Fund Administration Program Budget	41
General – Council of Governments Support Program Budget	43
State and Federal Fund Allocation Responsibilities	44
Budget Summary	59
Task Listing	63
Task Modifications	64

TABLE OF CONTENTS (Continued)

STAFFING SECTION

Staffing Overview	65
Salaries and Benefits	66
Staff Utilization.....	67
Organization Chart.....	68
Table of Regular Positions.....	69
Salary and Benefits Schedule.....	70
Hourly Staff Utilization by Program Illustration	71
Staff Utilization Report.....	72

SUPPLEMENTAL INFORMATION

Acronym List	74
Glossary of Terms	77

**SAN BERNARDINO ASSOCIATED GOVERNMENTS
IS PROUD TO BE A RECIPIENT OF
THE GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)
DISTINGUISHED BUDGET PRESENTATION AWARD
FOR FISCAL YEAR 2008/2009**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**San Bernardino Associated Governments
California**

For the Fiscal Year Beginning

July 1, 2008

President

Executive Director

The Government Finance Officers Association (GFOA) of the United States and Canada presented a Distinguished Budget Presentation Award to San Bernardino Associated Governments, located in California, for its annual budget beginning Fiscal Year July 1, 2008. In order to receive this award, a governmental entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

DATE: May 6, 2009

TO: SANBAG Board of Directors

FROM: Deborah Robinson Barmack
Executive Director

SUBJECT: Fiscal Year 2009/2010 Budget Message

The San Bernardino Associated Governments (SANBAG) Fiscal Year 2009/2010 budget is hereby transmitted for consideration and adoption by the SANBAG Board of Directors. The local and world-wide economic crisis of the past year has presented many challenges which will carry into next budget year. SANBAG's major source of revenue, Measure I transportation sales and use tax, has fallen by 18% over the past two years. State funding for transit service was dramatically reduced and finally eliminated in the California State budget. Failure of the State legislature to pass a budget to deal with the \$42 billion deficit until February 20, 2009, resulted in delays and loss of transportation funds essential to delivering SANBAG highway projects. And, retirement of Mike Bair, Director of Transit and Rail Programs, who lead every advancement in transit and rail services in San Bernardino County over his more than thirty years with the agency, has left a vacancy in our SANBAG management team that is proving hard to fill.

Despite these challenges, SANBAG has move forward on a number of major initiatives which will guide work of the agency for years to come. After more than three years of deliberation, the Measure I 2010-2040 Strategic Plan, which establishes fiscal and program policies to guide program expenditures for decades to come, was unanimously approved by the SANBAG Board of Directors. And, after months of uncertainly related to Federal stimulus funding, the American Recovery and Reinvestment Act was enacted. The SANBAG Board unanimously adopted a stimulus strategy which not only dedicated all \$80m of stimulus funding under is discretion to construction of the I-215 freeway widening project, but also brought in an additional allocation of \$49m in State discretionary stimulus funding for the project. This strategy, along with creative short-term borrowing and investments, has resulted in a full funding package for construction of the \$430m I-215 widening project through the City of San Bernardino, while creating over 8,000 construction jobs in this most severely depressed area of the State.

During the past year, SANBAG was also successful in adding five new managers to the SANBAG team who will contribute to delivery of the programs and services on behalf of our member jurisdictions. SANBAG looks forward to next fiscal year with excitement and enthusiasm for improving the transportation network and mobility within the region. This budget sets forth the work program and funding plan to continue the essential projects, services, and programs that keep our residents moving and facilitates strong partnerships among the County and cities of San Bernardino County.

SUMMARY OF THE BUDGET

SANBAG estimated revenues for the Fiscal Year 2009/2010 budget are \$291,396,887. This compares with Fiscal Year 2008/2009 adjusted estimated budget of \$349,728,564 and Fiscal Year 2007/2008 actual revenues of \$287,813,849. A reduction of 5% in Measure I revenue is anticipated for Fiscal Year 2009/2010, based upon actual revenue in Fiscal Year 2007/2008 and revenue received to date in Fiscal Year 2008/2009, with similar reductions anticipated in the Local Transportation Fund. Increases in restricted funds are dictated by grant activity. The *Estimates Revenues Schedule for Fiscal Year 2009/2010* indicates the anticipated changes for each funding source. Consideration of estimated revenues on this schedule does not include the use of undesignated fund balances. Further discussion of the revenue sources can be found in the *Financial Overview*. The *Budget Process* portion of this budget provides information on the evaluation of resources.

New budget activity for Fiscal Year 2009/2010, not including estimated encumbrances, is \$294,407,564 and is balanced overall and by program with undesignated beginning fund balances and estimated revenue for Fiscal Year 2009/2010. The total estimated budget for Fiscal Year 2009/2010, including prior year encumbrances, totals \$387,447,575.

The most significant planned expenditures relate to the Valley Major Projects portion of the Measure I program. The Major Projects *Measure I Cash Flow Plan* is continuously reviewed and updated to analyze cash flow requirements and, more specifically, the timing and sizing of any future bond needs. Considering the \$250m short term borrowing approved by the SANBAG Board in April 2009, no further borrowing is anticipated in Fiscal Year 2009/2010. Long term bond financing is planned for 2011 or 2012, and will be guided by the adopted Measure I 2010-2040 Strategic Plan and Ten Year Delivery Plan, which is under development in Fiscal Year 2009/2010. The Major Project Delivery Program funding is also supplemented by approximately \$2,520,000 in Regional Improvement Program Funds, \$22,648,570 of Traffic Congestion Relief Program Funds, and \$29,141,594 of Congestion Mitigation and Air Quality Funds.

Of note, \$24,990,346 in local revenues are anticipated in the Fiscal Year 2009/2010 budget, primarily as contributions to major construction projects from local member jurisdictions

SUMMARY OF MAJOR PROGRAMS AND INITIATIVES

The following paragraphs highlight key programs and initiatives that the SANBAG staff, under direction of the Board of Directors, will be addressing during Fiscal Year 2009/2010.

Initiation of Measure I 1020-2040 Revenue Collection

San Bernardino County voters approved SANBAG's Measure I transportation sales and use tax in November 1990, for a period of twenty years until March 2010. In November 2004, San Bernardino County voters approved an extension of Measure I for a thirty year period, beginning immediately upon termination of the first Measure until 2040. The extended Measure, referred to as Measure I 2010-2040, begins to generate revenue for the first time in the Fiscal Year 2009/2010. The proposed SANBAG budget illustrates revenues from both Measure I and Measure I 2010-2040. SANBAG will

track Measure I receipts from each voter approved Measure in order to properly close out the initial Measure I programs and to provide for appropriate allocation of funds based upon differing requirements of the renewed Measure expenditure plan. It is expected that revenue from the first Measure I will continue to be collected in small amounts for several years, as back taxes and tax disputed collections are resolved. Budgeting and accounting for each Measure separately is anticipated as a requirement in SANBAG budgets for a number of years to come.

Local Reimbursement – A number of member jurisdictions have participated in programs administered by SANBAG and have entered into agreements to reimburse the agency for services and projects. The most significant local reimbursements are for local jurisdiction contributions to major construction projects, such as interchanges or railroad grade separations. Smaller local reimbursements are made for shared costs of SANBAG programs, such as the Congestion Management Program and Freeway Service Patrol. Local reimbursements are for specified amounts related to project and/or program activities and are specified in the funding source detail for effected tasks.

Council of Governments

In 1973, the San Bernardino Associated Governments was formed by a joint powers agreement to serve as the council of governments in San Bernardino County. Subsequently, the roles and legal responsibilities of SANBAG have expanded substantially. Over the years, transportation responsibilities have risen as the primary function of the organization. Nevertheless, SANBAG continues to carry out a broad range of activities which are common to councils of governments and that provide important services to member jurisdictions.

In 2008, the Board of Directors identified a number of areas where SANBAG could play an increased role as the Council of Governments. One of these areas was the housing crisis and the response to increasing numbers of home foreclosures. During Fiscal Year 2008/2009 the Board of Directors authorized \$50,000 to co-sponsor a series of Home Foreclosure Prevention seminars with the Inland Empire Economic Recovery Corporation. SANBAG also sponsored the City/County Conference which had as its theme “Housing.” This event was in keeping with the role of a Council of Governments to provide a forum for all local agencies to discuss solutions to issues facing our region.

Continued efforts are anticipated in the coming year as our communities work toward improved economic conditions. Task No. 49009000, Council of Governments New Initiatives, contains funding for additional activities which may be carried out under the auspices of the council of governments.

Freeway Construction

Construction of the I-215/5th Street Bridge was completed and opened to traffic during Fiscal Year 2008/2009. The construction of I-215 improvements from Orange Show Road to Mill Street continues, with completion scheduled for late 2010. The total construction value of these improvements is \$131 million.

Currently, there are seven freeway projects under development. The Plan, Specification, and Estimates (PS&E) have been completed and the right-of-way acquired for the I-215 widening project from Mill

Street to SR-210 and the I-215/SR-210 Freeway to Freeway Direct Connectors, clearing them for construction in 2009. The PS&E for I-10 westbound lane additions through the Cities of Yucaipa and Redlands is nearing completion, allowing for construction to commence in early 2010. The projects in preliminary engineering and environmental phase include the I-10 High Occupancy Vehicle (HOV) lane additions from Milliken Avenue in Ontario to Ford Street in Redlands; I-215 HOV lane additions from the 60/91/215 Interchange in Riverside to Orange Show Road in San Bernardino; and the I-15/I-215 Interchange in Devore. The total estimated cost of these improvements is \$1.7 billion.

Interchanges

The I-10/Live Oak Canyon Interchange improvements have been completed and the interchange is open to traffic. The I-10/Riverside Interchange PS&E has been completed and the right-of-way acquired, allowing construction to commence in Fall 2009. The I-10/Citrus Avenue and I-10/Cherry Avenue interchange projects have received environmental clearance and final design, and right-of-way acquisition is progressing to meet a 2012 construction start. In addition, the preliminary engineering and environmental phases of the I-215/ Barton Road and I-215/Washington Street interchanges are well underway. The total value of these interchanges is \$416 million.

Railroad Grade Separations

SANBAG is the lead agency on five railroad/street grade separation projects: Hunts Lane, Main Street, Palm Avenue, State Street/University Parkway, and Valley Boulevard. The total estimated cost of these projects is \$155 million. SANBAG, at the request of the California Transportation Commission and Caltrans, also serves as the lead agency for the Colton Crossing rail/rail grade separation project funded by the State. The State Street/ University Parkway grade separation is now open to traffic. The Hunts Lane project is nearing the completion of final design. The Palm Avenue and Valley Boulevard projects are in the preliminary design and environmental phase; and work has not commenced on the Main Street project.

Alameda Corridor East

The Traffic Congestion Relief Program (TCRP) provided \$95 million to SANBAG to fund high priority railroad grade separation projects along the Alameda Corridor East and required preparation of an Alameda Corridor East Trade Corridor Plan in cooperation with our neighboring counties. Projects funded in part by TCRP included State Street/University Parkway at Burlington, Northern Santa Fe (BNSF); Hunt's Lane at Union Pacific (UP), Milliken North at UP, Monte Vista at UP, and Ramona at UP.

The State Street/University Parkway project is now open, and SANBAG is managing construction of the Ramona Avenue project. SAFETEA-LU funds in the amount of \$31m for Alameda Corridor East grade separations in San Bernardino County have been programmed on previously federalized projects including Hunts Lane/UP and Monte Vista/UP.

In January 2008, SANBAG was also awarded funding for eight Alameda Corridor East grade separation projects from the Proposition 1B Trade Corridors Improvement Fund (TCIF): Milliken north/UP, Milliken south/UP, Archibald/UP, Vineyard/UP, Palm Avenue/BNSF, Glen Helen/BNSF, and Lenwood/BNSF in Barstow. SANBAG is advancing funding for development of many of these

projects to ensure that they can be delivered in accordance with the construction deadlines for TCIF projects. SANBAG will continue to pursue other funding sources for grade separation projects, including port-collected container fees, in an effort to fully fund the balance of the program.

Passenger Rail Program

The passenger rail program contains work related to three distinct passenger rail projects. First, SANBAG is one of five county transportation agencies that formed the Southern California Regional Rail Authority (SCRRA) in October 1991. SCRRA is a joint powers agency established to plan, design, construct, operate and maintain the commuter rail system known as Metrolink. Three of the seven lines operated by Metrolink serve San Bernardino County residents; the San Bernardino Line, Riverside Line and the Inland Empire/Orange County Line. Together these three lines carried 6 million passengers in Fiscal Year 2007/2008, representing 51% of the total Metrolink passengers. There are no proposed changes for the Fiscal Year 2009/2010 level of service on the three lines. Several major commuter rail projects initiated in the previous years will begin construction or be completed in Fiscal Year 2009/2010. Some of these include a new parking structure at the San Bernardino station, the new Eastern Maintenance Facility in Colton, the pedestrian undercrossing at the Rancho Cucamonga station, the delivery of more than 100 new passenger cars, and most importantly, continuing work for the implementation of Positive Train Control by 2012.

A second passenger rail initiative is the proposed implementation of the Redlands Rail Project, a self-propelled rail passenger car service operating between the cities of San Bernardino and Redlands over the former ATSF Redlands Subdivision acquired by SANBAG in 1993. A preliminary feasibility study was completed in Fiscal Year 2002/2003. A station area planning study, completed in January 2007, identified the preferred station locations and recommended the type of transit-supportive development land use that should occur within a ½ mile radius of each station. A consultant was retained in January 2008 to complete the required Alternatives Analysis and an Environmental Assessment for the Locally Preferred Alternative. This latter work is expected to be completed by January 2010. It is anticipated that an application for the Federal Transit Administration Small Starts grant program will be submitted in late 2009. This project was included in the Measure I Expenditure Plan approved by the voters in November 2004.

The extension of the ***Metro Gold Line*** (light rail line) from Pasadena to Montclair and perhaps to the Los Angeles/Ontario International Airport is the third rail project. In the past the SANBAG Board approved an agreement with the Gold Line Construction Authority to advance this extension to the Montclair Transcenter through the preliminary engineering and environmental phases. The proposed construction phase will be split with Segment 1 extending from Pasadena to Azusa being the first. The extension to Montclair could be completed by 2016. During Fiscal Year 2009/2010 SANBAG will continue to support the Construction Authority's efforts to advance the construction of Segment 1. The extension to Montclair was also included in the Measure I Expenditure Plan approved by the voters in November 2004. During Fiscal Year 2008/2009 a strategic planning study was completed that consider possible alignments of the Gold Line to serve the Los Angeles/Ontario International Airport however, funding has not been identified to further this proposal.

Freeway Service Patrol

The Freeway Service Patrol will continue operation of sixteen tow trucks on eight beats, providing tow services at no charge to motorists on more than sixty miles of centerline highway miles in the San Bernardino Valley area. SANBAG will focus on continued integration of vehicle location equipment with data gathering devices, as well as streamlined program and service efficiencies. SANBAG will work with the with the Major Projects Delivery group to provide enhanced services during construction.

Call Box Program

SANBAG will continue to improve the network of approximately 1,400 call boxes so that they become fully compliant with Americans with Disabilities Act (ADA) requirements. SANBAG will also work with other call box agencies to continue to further streamline the program and to identify other opportunities for improved service which may arise, such as the #399 cell phone number for motorist assistance.

Omnitrans

Omnitrans is the principal public transit agency serving the 1.5 million residents of the San Bernardino Valley in the southwest portion of the County. Annual ridership during Fiscal Year 2007/2008 was 15 million. During Fiscal Year 2009/2010, Omnitrans will continue work on two major capital projects: the implementation of bus rapid transit, also known as sbX between northern San Bernardino and Loma Linda and the development of a multi-modal transit station in downtown San Bernardino. The loss of State Transit Assistance Funds and the economic downturn that has reduced the generation of sales tax receipts for both the Local Transportation Fund and Measure I will have an impact on the delivery of these two projects. These reduced funding levels will likely place further constraints on the ability to increase service levels.

Mountain/Desert Transit

There are five transit operators located in the Mountain/Desert region of San Bernardino County; the cities of Barstow and Needles and three joint powers agencies; the Morongo Basin Transit Authority, the Mountain Area Regional Transit Authority, and the Victor Valley Transit Authority. Each of these operators faces unique challenges in the urban and rural areas they serve.

Collectively, these operators carried 1.89 million passengers during Fiscal Year 2007/2008. Over the past several years, SANBAG has assisted four the operators with a thorough review of their systems with recommendations to improve service and performance. These four systems will continue to implement the recommendations for this work during Fiscal Year 2009/2010. The construction of new transit centers are proposed for construction in the cities of Barstow and Twentynine Palms; and the Victor Valley Transit Authority will break ground on its new administrative, operations and maintenance facility in Hesperia. As noted above the loss of State Transit Assistance and the economic downturn that has reduced the generation of sales tax receipts for both the Local Transportation Fund and Measure I will have an impact on the ability to increase service levels within most of these operations.

Rideshare Program

Activities related to SANBAG's Rideshare Program will focus on providing/enhancing internet and advanced traveler information tools for the commuting public. The contractor/delivery method for an Inland Empire 511 program is currently being finalized to provide phone and internet information to the traveling public. Southern Californian rideshare agency providers will work to integrate the ridematching software with transit trip planning software, so that detailed transit itineraries will be available on every RideGuide provided to program participants. SANBAG will continue to seek opportunities to lease Park'N'Ride lots to augment the eighteen lots currently available in San Bernardino County, as well as assisting Caltrans and other jurisdictions with new Park'N'Ride lot construction.

Measure I Strategic Plan and Ten Year Delivery Plan

The Measure I 2010-2040 Strategic Plan, adopted in April 2009, establishes fiscal and program policies associated with the allocation and administration of local transportation sales tax in conjunction with State and federal transportation revenues. A project-specific ten year delivery plan will be completed in Fiscal Year 2009-2010. Beginning in Fiscal Year 2009/2010, SANBAG will be initiating the Capital Projects Needs Analyses in cooperation with local jurisdictions to document their needs for funding from Measure I 2010-2040 programs in the years 2010 to 2015.

Congestion Management Program (CMP) and Nexus Study

The next biennial update of the CMP is scheduled for approval by the SANBAG Board in November 2009. It will incorporate revisions to the Development Mitigation Nexus Study, including project cost escalation, and implementation language. Pursuant to the Measure I 2010-2040 Ordinance, the SANBAG development mitigation program requires that local jurisdictions in the San Bernardino Valley and Victor Valley collect fair-share contributions from new development for freeway interchanges, arterial streets and grade separation projects in compliance with the CMP. All jurisdictions have adopted development mitigation programs intended to collect the requisite levels of development mitigation identified in the SANBAG Nexus Study. SANBAG will continue to monitor implementation and maintenance of the local jurisdiction programs. Rural jurisdictions may choose to opt into the development mitigation program, but will otherwise continue to prepare Traffic Impact Analysis (TIA) reports in accordance with provisions included in the Land Use/Transportation chapter of the CMP.

Long Range Transit Plan

Work commenced on the development of a Long Range Transit Plan (LRTP) during Fiscal Year 2004/2005. The LRTP will consider the challenges facing the expansive San Bernardino and Victor Valleys as well as the vast rural and mountain communities. The LRTP is expected to be completed in September 2009.

Public Transit-Human Services Transportation Coordination

Efforts will continue to promote the coordination of public transit and human services transportation. During Fiscal Year 2009/2010 SANBAG will issue a call for projects for the funds apportioned to the San Bernardino and Victor Valleys under the FTA Section 5316 (Job Access – Reverse Commute) and Section 5317 (New Freedom Initiatives). Also during the budget year, a study for the formation of a

consolidated transportation services agency (CTSA) within the San Bernardino Valley will be completed. The 2010-2040 Measure I Expenditure Plan includes an apportionment of 2% of the Valley revenue for the purpose of supporting a CTSA.

Intelligent Transportation Systems (ITS)

ITS programs include electronic and data communication systems for collecting, processing, disseminating or acting on information in real time to improve the operations and safety of the transportation system. The Inland Empire Transportation Management Center serving both San Bernardino and Riverside Counties is under construction with partial funding from both SANBAG and Riverside County Transportation Commission. Opening in late 2010, the facility will be the clearing house for many ITS strategies implemented on the highways and major roadways. SANBAG will continue to work closely with Caltrans to implement a more robust monitoring and detection program, so that traffic data can be gathered and utilized for congestion management. SANBAG will continue to play a lead role on ITS Architecture Plan updates, as well as any other ITS coordination and implementation with Southern California Association of Governments, Caltrans and other stakeholders.

State Funding Overview

California's transportation funding situation has been precarious for years, with the last gasoline excise tax increase now 15 years in the past and periodic uncertainty regarding disposition of the Proposition 42 sales tax on gasoline. The State Transportation Improvement Program (STIP) is now supported principally by the gasoline sales tax, and the State Highway Operation and Protection Plan (SHOPP) for highway maintenance and operations continues to be funded at about fifty percent of need, accompanied by poor pavement quality, higher rehabilitation costs, and inadequate system management.

The passage of Proposition 1B (\$19.925 billion in bonds for transportation), approved by the voters in November 2006, was encouraging; it provided a down payment on the State's \$100+ billion backlog of State and local transportation infrastructure needs. Proposition 1B included \$4.5 billion from the Corridor Mobility Investment Account (CMIA), \$2 billion to augment the STIP, funds to augment the SHOPP, \$2 billion in Trade Corridor Improvement Funds (TCIF), \$1 billion in State/Local Partnership (SLPP) funds, funding for a competitive signal coordination program, and formula funding for local governments. CMIA funds were allocated to I-215 through San Bernardino, I-10 Westbound in the Redlands area, and I-10 improvements in the vicinity of Fontana. In addition to the Alameda Corridor East grade separations, TCIF funds were allocated to the I-15/215/Devore Interchange and the Cherry/I-10, Citrus/I-10, and Riverside/I-10 Interchanges. SLPP will be distributed on a formula basis, with SANBAG to receive \$10 million per year for five years to match Measure I funds on selected projects.

SANBAG was awarded funding for Tiers 3 and 4 of the Valley signal coordination program from the competitive signal coordination program. Unfortunately, the combination of the State's budgetary woes and nationwide credit crisis has precluded the timely sale of bonds to support the Proposition 1B programs. Passage of the federal American Recovery and Reinvestment Act passed to create jobs and stimulate the national economy may help maintain schedules on some projects. Important roles will

continue to be played by the California Transportation Commission and the State Legislature, and SANBAG has been and must continue to be active on both fronts to ensure that our needs are recognized.

Regional Transportation Plan (RTP)

The Southern California Association of Governments (SCAG), the Metropolitan Planning Organization for a six-county area that also includes Los Angeles, Imperial, Orange, Riverside, and Ventura counties, is responsible for preparation and approval of the RTP and the Regional Transportation Improvement Program (RTIP) based on input from SANBAG and its sister agencies in the other counties. Work began in January 2009 on the next RTP, scheduled for adoption in Spring 2012. This will be the first RTP developed pursuant to SB 375 (Steinberg), that includes requirements for inclusion of a Sustainable Communities Strategy (SCS) or Alternative Planning Strategy to meet a greenhouse gas (GHG) emission reduction target for light and medium duty vehicles and for integration of the growth forecast for the RTP with the Regional Housing Needs Assessment (RHNA).

SB 375 provides that subregions and transportation commissions can develop their own subregional SCS to be integrated into the region plan and are also delegated RHNA responsibilities if they choose to do so. Thus far, financial support from State sources to support this work is lacking. Final regional targets are scheduled to be established by California Air Resources Board (CARB) by October 1, 2010, but SCAG is requesting subregional commitments to prepare subregional SCS's by September 2009. SANBAG has developed and maintained land use databases and planning tools and coordinated local agency input to support regional growth forecasts and RHNAs, and will do so on the 2012 RTP as well. In addition, SANBAG, in cooperation with SCAG and many member agencies, has recently completed a multi-jurisdictional COMPASS implementation study that is expected to provide a basis for the SCS within San Bernardino County.

Federal approval of the new RTP is required if regionally significant transportation projects, including most of the projects named in Measure I, are to proceed. Federal approval of the plan will be based on findings that: 1) the plan and the RTIP can be implemented with reasonably available funding, and 2) the plan and RTIP provide emission reductions consistent with the State Implementation Plan (SIP) for air quality. The availability of adequate funding is a cause for concern, although adoption of the plan is expected to follow passage of the new federal transportation act in late 2009 or 2010. A demonstration of conformity with new SIPs for 8-hour ozone and PM 2.5 may prove extremely challenging as discussed below.

Air Quality and Conformity

The 2012 RTP will be the first regional plan that is required to "conform" to a strategy, to be developed over the next three years, that demonstrates compliance by the South Coast Air Basin (Basin) with federal health standards for fine particulates (PM2.5, fine particles smaller than 2.5 microns in diameter over a 24-hour period) and ozone as measured over 8 hours. Air quality analyses have shown conclusively that the Basin cannot reach timely (2015 for annual PM2.5, 2020 for 24-hour PM2.5, and 2024 for ozone) attainment for these pollutants by further regulation of sources under South Coast Air District control alone, and that only substantially greater efforts by the California Air Resources Board, US Environmental Protection Agency, and perhaps other incentives programs can reasonably address the problem.

Clearly, attainment of the particulate standards is, quite simply, not possible within the South Coast Air Basin without technological change on an unprecedented scale if the growth in freight movement through the region continues. The matter takes on even greater urgency as new epidemiological data developed by the State show air pollution in the South Coast Basin to be the source of more than 5,000 premature deaths each year, billions of dollars in air pollution-related health costs from respiratory disease, and reduced lung capacity in children. SANBAG has been and will continue to be active participants in Air Quality Management Plan and State Implementation Plan development for the South Coast Air Basin.

Federal Funding Requests

SANBAG will continue implementation efforts identified in its State/Federal Legislative Advocacy Plan which serves to inform Federal representatives on transportation priorities and opportunities for federal appropriations on highway, road, and transit projects. With the active involvement of the SANBAG Board of Directors, the plan calls for visits with Congressional representatives, preparation of informational materials on priority projects, and regular interaction with Congressional staff to advance funding for San Bernardino County projects.

Advocacy for projects for inclusion in the annual Transportation, Housing and Urban Development appropriations bill continues as a focus for SANBAG's federal advocacy efforts. Additionally, SANBAG will be advocating for projects to be included in the next surface transportation reauthorization act, as adopted by the Board in February 2009, and for policies to protect existing federal funding programs for transportation, such as the Congestion Mitigation Air Quality program, and for policies to improve the process by which projects receive environmental clearance.

SANBAG will also continue the collaborative effort with member jurisdictions and their federal advocates, to coordinate a unified message of support for regional transportation projects, a priority established in the SANBAG Board of Directors workshop in Fall 2008.

State Advocacy Efforts

SANBAG continues to work with the State legislature to provide a clearer understanding of regional transportation needs within San Bernardino County and the impacts of budget decisions on funding for Proposition 1B projects and transit projects. Additionally, SANBAG is working closely with its legislative advocacy contractors to identify legislation that is of interest to SANBAG as a transportation commission and Council of Governments.

SANBAG continues to align its State advocacy efforts with federal advocacy efforts as opportunities allow, such as advocacy for discretionary funds from the federal stimulus bill, the American Recovery and Reinvestment Act of 2009.

Financial Management System

Beginning in Fiscal Year 2008/2009, SANBAG began implementing a new financial management system. This accounting system was acquired to meet the growing complexities and financial requirements of the agency. While the main financial module is scheduled to be operational by the

beginning of this fiscal year, other modules such as project management, purchasing and payroll will continue to be phased in during the fiscal year. This budget contains the resources for the project management assistance necessary to insure a successful implementation of this important system.

San Bernardino Santa Fe Depot

SANBAG continues to improve utilization of the building and the environment surrounding it. It is anticipated that a coffee and snack bar will open in the main lobby to serve Metrolink passengers as well as visitors to SANBAG. The San Bernardino Historic and Pioneer Society and San Bernardino Historic Railroad Society have opened a museum in a portion of the Wesley McDaniel Community Room. SANBAG's property management firm has concluded negotiations with Southern California Association of Governments to lease office space to better serve agencies in San Bernardino County. During the year, begin painting of the exterior of the building and making improvements to the parking lot and landscaping are expected to begin. Acoustical improvements to the downstairs lobby to help with the sound quality during Board of Directors meetings are anticipated in the coming year.

Personnel

The 2009/2010 budget contains funding for the addition of two new full time, regular positions on the SANBAG staff, for a total of 45 employees. This continues the initiative approved by the SANBAG Board of Directors to build the organizational strength necessary to initiate and implement the new Measure I 2010-2040 program. The total salary and benefit cost to SANBAG for the new positions is estimated to be \$376,050. This cost will be offset by reductions in consultant staff time and will not have any added cost to SANBAG. Efforts will also continue during the fiscal year to recruit for already approved vacant positions to keep staffing levels appropriate for the workload associated with implementing the new Measure I 2010-2040 program.

SANBAG staff is prepared and committed to working with the SANBAG Board of Directors throughout the coming year to deliver the programs and projects identified in this budget in accordance with the adopted mission statement.

Deborah Robinson Barmack
Executive Director

INTRODUCTION

**San Bernardino Associated Governments
and
The Community It Serves**

The Organization and Its Responsibilities

San Bernardino Associated Governments (SANBAG) is a council of governments and transportation planning agency, governed by the mayor or a councilmember from each of the twenty-four cities and the five members of the Board of Supervisors within San Bernardino County. SANBAG serves the 2.1 million residents of San Bernardino County and enjoys the membership of the County of San Bernardino and all cities within the county: Adelanto, Apple Valley, Barstow, Big Bear Lake, Chino, Chino Hills, Colton, Fontana, Grand Terrace, Hesperia, Highland, Loma Linda, Montclair, Needles, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Twentynine Palms, Upland, Victorville, Yucaipa, and Yucca Valley.

Since its creation as a Council of Governments in 1973, SANBAG has been designated to serve as several additional authorities, created primarily by statute, which are organized under the umbrella of the Council of Governments. These authorities are listed below:

As the **County Transportation Commission**, SANBAG is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital development projects for public transit and highway projects, and determination of staging and scheduling of construction relative to all transportation improvement projects in the Transportation Improvement Program.

As the **County Transportation Authority**, SANBAG is responsible for administration of the voter-approved half-cent transportation transactions and use tax which is estimated to generate in excess of \$1.6 billion through 2010 and an additional \$5.25 billion from 2010-2040 for funding of major freeway construction, commuter rail service, local street and road improvements, special transit service for the elderly and disabled population, and traffic management and environmental enhancement efforts.

As the **Service Authority for Freeway Emergencies**, SANBAG operates a system of over 1,400 call boxes on freeways and highways within San Bernardino County.

As the **Congestion Management Agency**, SANBAG manages the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality improvements through implementation of strategies in the adopted air quality plans. Under the SANBAG nexus study, the Congestion Management Program identifies the fair share contribution due from new development for implementation of new arterial roadways and freeway interchange facilities.

As a **Subregional Planning Agency**, SANBAG represents the San Bernardino County subregion and assists the Southern California Association of Governments in its role as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to the regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.

The Community

SANBAG performs transportation and regional planning services within the County of San Bernardino, the largest county in the contiguous United States, encompassing over 20,000 square miles. It is a diverse county, containing urban settings in the most populated East and West Valleys of the southwest county; the urbanized Victor Valley area comprised of four cities with expansive residential development and large commuting populations; the resort communities of the San Bernardino Mountains and Colorado River; and the vast desert with scattered rural communities. Unique mining resources abide in San Bernardino County's open desert spaces, which are also home to Joshua Tree National Park, the Mojave National Preserve, and U.S. Army and Marine training and material depots.

For programmatic purposes, many SANBAG activities are separated into subregions identified as the East Valley, West Valley, and Mountain/Desert. This segmentation provides for the identification of characteristics unique to the distinct geographic subregions and allows for programs designed to meet their specific needs. The total population of San Bernardino County is 2.056 million. Approximately 72.8% of the county population resides in the urban areas of the East and West Valley, 17.7% resides in the Victor Valley urban area, and the remaining 9.5% resides in the rural desert and mountain areas. An estimated 85.5% of the population, totaling 1.75 million people, resides in the twenty-four cities of the county, while 14.5% live in unincorporated territory served by the County of San Bernardino. San Bernardino County is home to five cities with populations in excess of 100,000: San Bernardino (205,493), Fontana (188,498), Rancho Cucamonga (174,308), Ontario (173,690), and Victorville (107,408).

The County of San Bernardino is the fifth most populous county in the State of California. San Bernardino County grew by 20.3% since the 1990 census. Over the past decade, San Bernardino County has not only grown in numbers, but also has become more diverse. San Bernardino County's rich ethnic diversity is 45.7% Hispanic, 8.7% Black, and 37.2% Caucasian, with a substantial number of residents declaring to be of multiple ethnicities. The median age of the total population is 30.2. This county of urban, suburban and rural character is forecast to grow to nearly 2.8 million residents by the year 2030.

The Economy

The year 2008 marked the largest net loss of jobs for the San Bernardino and Riverside County area since 1964. For the past two decades, the Inland Empire grew rapidly due to development of large tracts of land. Industrial developers were also able to build the expansive facilities needed by firms in goods movement and international trade. The resulting population, income and job strength powered the inland office market. While these fundamentals remain in place, the short term news for Inland Empire is not good.

The Community It Serves (Cont.)

During the past several years, the Inland Empire captured a huge share of Southern California's new home sales, due to availability of land and lower prices. However, looking at 2008 and 2009, home builders and real estate firms were forced into continued reductions in activity and in resulting employment. Smaller reductions were experienced in inland finance, insurance, title, and similar firms.

Housing prices have come down year over year, with new home prices down by 21.9% and existing homes down by 39.5% in the third quarter of 2008. Retail sales contracted from the end of 2007 through 2008. Retailers state that a key reason for the 2008 slowdown in retail sales has been the loss of housing-related volume in building materials, household furniture, and appliances as well as decreases in discretionary income from job losses and dramatic decreases in automobile sales.

The slowing of retail sales directly impacts SANBAG revenue, specifically from Local Transportation Fund revenue and Measure I transportation sales and use taxes revenue. For the coming FY 2009/2010 budget, SANBAG is projecting a reduction in Measure I revenue of approximately 5%, with similar reductions in Local Transportation Funds. Successful competition for transportation funding resulting from the Proposition 1B voter-approved State infrastructure bond passed in November of 2006 and federal stimulus funds will help sustain SANBAG's continued transportation project development and delivery activities through 2013, resulting in major freeway, interchange, and railroad grade separation improvements serving San Bernardino County residents

SANBAG's challenge remains that of building a balanced transportation system for San Bernardino County that provides multi-modal alternatives and reasonable travel times for commuter, recreational, and goods movement traffic throughout the next decade.

FINANCIAL SECTION

Budget Process

Budget Process Summary

SANBAG accounts for its funds using governmental accounting. Governmental funds use the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liability of the current period. SANBAG considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The budget is adopted with funding source detail: Local Transportation Fund-Planning; Local Transportation Fund Administration; Local Transportation Fund/State Transit Assistance Fund-Rail; Local Transportation Fund/State Transit Assistance Fund-Pass Through; Grants; Vehicle Registration Fees and Measure I. (Refer to ***Financial Overview and Estimated Revenues*** for discussion of revenues.)

SANBAG presents budget information for the General Fund and the Special Revenue Funds (consisting of five special revenue fund types). No separate budget is presented for the Internal Service Fund which accounts for the costs related to the upkeep of the present facility. Those costs are included in the **Indirect Cost Allocation**. The Debt Service fund is a non-budgeted fund as the resources for payment of the debt are budgeted in the Special Revenue Fund.

The budget is presented in two documents: the main budget document that contains projections and program overviews; and an appendix that presents the task level detail with objectives and accomplishments. The main budget document is intended to provide an understanding of the programs for which SANBAG is responsible. This strategy results in a budget document that is useful and meaningful as a benchmark against which to evaluate SANBAG's accomplishments or challenges, and to assess performance with fiscal accountability.

Review of Short Term Direction

The budget process begins with a review of the Board of Directors direction as it relates to short-term goals and how it integrates with long-term goals and objectives. Workshops are scheduled periodically to assist the policy makers in evaluating and determining where SANBAG plans to be and what it desires to accomplish.

Budget to actual data is reviewed quarterly. This information is used to assess actual results for the current fiscal year and to discuss changes in strategy for the ensuing fiscal year.

Assessment of Needs

Simultaneous with the review of short-term direction, staff evaluates which tasks need to be accomplished, taking into consideration both long-term and short-term Board direction. Tasks identified in long-term strategic plans have priority for the associated revenues. New projects or old projects are added or deleted based on direction from the Board of Directors.

Evaluation of Resources

The second phase of the budget process begins in January and involves an analysis of funding sources. Identification of available resources occurs during the fiscal year, but estimates for the coming year are forecast during the budget development process. Areas of focus include what funds are estimated to be carried over from the current fiscal year, new revenue sources, and growth rates for continuing revenues. As part of the long-term strategic process, bonds are issued. However, they are reflected as other financing sources rather than anticipated revenue for the current year.

Development and Review

The SANBAG bylaws set the fiscal year as beginning July 1 and ending June 30. The budget process is structured to provide for the maximum level of input from SANBAG policy committees and the general public. The SANBAG policy committees are composed of members of the SANBAG Board of Directors and serve as the initial review body of budgeted tasks. Each budgeted task is reviewed by at least one of the SANBAG policy committees: Administrative Committee; Commuter Rail Committee; Mountain/Desert Committee; Major Projects Committee; and Plans and Programs Committee. (See chart entitled ***SANBAG Committee Structure Chart.***) Each policy committee reviews the tasks that relate to functional areas of committee oversight. Committees may also request a full budget briefing. A notice of public hearing is published, and there is at least one public hearing relative to the adoption of the budget. Additionally, a full Board workshop is held to provide a better understanding of the proposed budget. Staff develops the budget based on the long-term strategic direction of SANBAG's Board of Directors. Ongoing reviews of the budget allow for timely responsiveness to any significant political, legislative, or economic developments that may occur.

Budget Adoption

The budget is presented to the SANBAG Board of Directors at its June meeting for adoption. Although SANBAG bylaws envisioned adoption by May of each year, it is the practice to adopt the annual budget by fiscal year end.

Budget Roles and Responsibilities

Upon adoption of the fiscal year budget, staff is charged with the on-going responsibility of monitoring actual revenues and expenditures. As deviations to the budget occur, staff revises assumptions and/or requests budget amendments as necessary. Reports are presented to the Board of Directors to communicate compliance with fiscal authority.

Budget involvement includes all SANBAG staff members. Finance staff prepares revenue projections, the indirect budget, and completes set up of SANBAG's budget system for the new fiscal year by February 1. Task managers develop a detailed line item budget and submit them to the Chief Financial Officer by the last day of February. The Chief Financial Officer then compiles the draft budget documents and presents the information to SANBAG's management staff for review. The Executive Director reviews the entire budget for overall consistency with both the short- and long-term strategic direction of the Board of Directors, the appropriateness of funding sources for the identified tasks, and any recommended staffing changes. Support staff assist in the review and preparation of documents and submit them to the Director of Management Services, the Chief Financial Officer and the Clerk of the Board/Administrative Assistant for finalization.

Budget Amendments

When it becomes necessary to modify the adopted budget, the amendment procedure depends on the type of change that is needed.

I. Administrative Budget Amendments

There are three types of administrative budget amendments that do not result in an increase to the overall program budgets. The first two require approval of the program/task manager. The third requires approval of the Executive Director. The three types include:

1. Transfers from one line item to another within a task budget or changes between tasks within the same program.
2. Reallocation of budgeted salary costs and revenues from one program to another.
3. Substitution of one approved funding source/grant for another approved funding source/grant within a program, not to exceed \$1 million.

II. Board Approved Amendments

The second type of budget amendment brings about a change in the total expenditures for a program. Examples of these changes include, but are not limited to the following:

1. The acceptance of additional grant monies.
2. The inclusion of expenditures that are projected to exceed budgeted amounts.
3. The re-appropriation of monies/expenditures (excluding SANBAG staff salary costs) from one program to another.

These changes require a budget authorization request and a formal agenda item to be reviewed by the appropriate policy committee and forwarded to the Board of Directors for final approval. If the budget amendment is time sensitive, the authorization request may be submitted to the Board of Directors without policy committee review. The agenda items requesting budget amendments will define the expected funding source and will adhere to the balanced budget requirements. All budget amendments are documented by the Finance Department and are tracked in SANBAG's computerized financial system.

SANBAG Committee Chart

Financial Overview

The following narrative provides definition of the factors instrumental in developing the foundation for SANBAG's Fiscal Year 2009/2010 Budget.

Financial Policies

SANBAG's financial policies, compiled below, set the basic framework for the overall fiscal management of the organization. Operating independently of changing circumstances and conditions, these policies assist the decision-making process of the SANBAG Board of Directors and administration.

Most of the policies represent long-standing principles and practices that have guided SANBAG in the past and have helped maintain financial stability. They are reviewed annually through the auditing process.

Operating Budget Policies

The Board of Directors approves a fiscal year budget containing new revenues and expenditures. Estimated encumbrances are included to provide an overall perspective of total expenditures for the upcoming fiscal year. These estimated encumbrances are presented to the Board for review and formal incorporation into the adopted budget. Actual encumbrances are finalized by the end of the first quarter of the following fiscal year.

1. SANBAG utilizes a decentralized operating budget process, whereby all task managers participate.
2. The budget is balanced with total anticipated revenues plus beginning undesignated/unreserved fund balances and available bond proceeds.
3. SANBAG utilizes encumbrance accounting as an element of control in the formal budgetary integration.
4. No new or expanded contracts will be authorized without implementing adjustments of expenses or revenues at the same time.
5. Costs of administration will be budgeted at whatever is reasonable and necessary, but no more than one percent of Measure I transactions and use tax revenues will be used for administration, salary and benefit expenditures.
6. Contracts will be budgeted by fiscal year for multi-year projects based on best estimates with the understanding that to the extent actuals vary from estimates, and the project is ongoing, adjustments will be made in the mid-year budget process.

Revenue Policies

1. SANBAG establishes general assessment dues amounts for all jurisdictions based on population and net assessed property value. The total dues assessment amount is set at \$105,241 for Fiscal Year 2009/2010 budget.
2. SANBAG will aggressively seek additional federal, state and local funding/grants.

3. Sales tax revenue projections will be monitored and reviewed to ensure use of current and relevant data. Annual amounts may be adjusted by staff to reflect the most current economic trends.

Cash Management Policies

1. SANBAG deposits all funds in a timely manner and at a minimum no less than once a week.
2. Measure I funds are electronically transferred to SANBAG's account to reduce any delays in depositing the funds. When possible, additional sources of revenue will also be electronically transferred.
3. Cash disbursements to local jurisdictions and vendors/consultants will be done in an expeditious and timely manner.
4. Idle funds will be invested in accordance with SANBAG's established investment policy emphasizing in order of priority – safety, liquidity, diversification, and a reasonable market ratio of return.

Debt Policies

1. SANBAG will judiciously issue bonds for capital improvements after careful study and analysis of revenue and expenditure projections and accumulated debt burden.
2. All bond or note issues will be in accordance with the strategic plan and approved by the Board of Directors.
3. SANBAG will publish and distribute an official statement for each bond issue.
4. SANBAG will meet all disclosure requirements.
5. SANBAG will maintain at a minimum, 1.3 debt coverage ratio on all senior lien debt.

Investment Policies

1. SANBAG will instruct financial institutions to make investments in accordance with the original indenture and investment policy.
2. SANBAG has engaged the services of an investment advisor who will continue to provide on-going advice on portfolio performance, advice on current investment strategies, cash management, and cash flow projections.
3. SANBAG will present a monthly investment status report to the Board of Directors.

Auditing Policies

1. An independent audit, by a recognized CPA firm, will be performed annually.
2. A. SANBAG shall produce annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board.

3. Completeness and reliability of the information contained in the financial statements is based upon a comprehensive framework of internal controls that is established for this purpose.

Estimated Revenues

The revenue for Fiscal Year 2009/2010 is projected at \$291,396,887. A visual representation of revenues is presented in a chart labeled ***Estimated Revenues Schedule***. Additionally, detail of anticipated revenues is presented in this section of the budget on a table entitled ***Estimated Revenues***. SANBAG maintains a General Fund (General Assessment Dues and other Local Revenues) and a Special Revenue Fund (Local Transportation Fund (LTF)-Planning and Administration, LTF/State Transit Assistance Fund (STAF)-Rail, LTF/STAF-Pass Through, Grants, Vehicle Registration Fees, and all portions of the Measure I Program). Because the majority of the revenue received by SANBAG is classified as special revenue, treatment of the revenue and the expenditures is detailed in this budget and summarized on the ***Budget Summary*** schedule.

Measure I (Half-Cent Transactions and Use Tax)

In November 1989, San Bernardino County voters approved passage of Measure I authorizing the San Bernardino County Transportation Authority to impose a half-cent retail transactions and use tax applicable in the incorporated and unincorporated territory of the County of San Bernardino for a period of twenty years. SANBAG, acting as the Authority, is authorized to administer the programs as described in the Measure.

Measure I identified six separate subareas of the county for the purpose of revenue allocation: Colorado River Subarea, Morongo Basin Subarea, Mountains Subarea, North Desert Subarea, Victor Valley Subarea, and the San Bernardino Valley Subarea. The San Bernardino Valley Subarea includes not only allocations for local jurisdictions, but also allocations for Major Projects, Arterial Projects, Commuter Rail, Elderly and Handicapped Transit, and Traffic Management and Environmental Enhancement Programs. The Mountain/Desert Subarea includes allocations for Regional/Arterials, Local Streets, and Elderly and Disabled Transit. Revenue generated in each subarea is returned to that subarea for projects identified in their five year capital improvement plans. Revenue from the tax can only be used for transportation improvement and traffic management programs as authorized in the Measure and the Expenditure Plan as set forth in Ordinance No. 89-1.

Proper planning calls for continual assessment of the status of projects managed by SANBAG. Revenues determine what can be completed and when. SANBAG has made it a practice to regularly update its revenue projections. SANBAG has engaged the services of an investment advisor and financial advisor. Additionally, SANBAG has utilized the services of an economist to prepare, and update as needed, an economic forecast of annual taxable retail sales for the county through the year 2010 to assist SANBAG in the forecasting of its future funding and bonding needs.

Actual growth rates for Measure I revenues for Fiscal Year 2006/2007 remained flat, increasing by less than 1% over the previous year. Fiscal Year 2007/2008 actual revenues decreased 4% over Fiscal Year 2006/2007, reflecting the economic recession that began during Fiscal Year 2007/08. Actual Fiscal Year 2008/2009 revenues currently reflect a decrease of 11.5% over

Fiscal Year 2007/2008 revenues for the same period. Revenue estimates for the fiscal year were revised to reflect an additional 10% decrease over the original budget projections. At this time, it is estimated that Measure I revenues for Fiscal Year 2009/2010 will show an additional 5% decrease before the economic recovery is reflected in sales tax revenues.

The current Measure I is scheduled to end on March 31, 2010. In 2004, San Bernardino County voters approved the renewal of the Measure I retail transactions and use tax through the year 2040. The new Measure I will take effect during Fiscal Year 2009/2010. Approximately 25% of the total projected Measure I revenues are attributed to this extension.

SANBAG has chosen to remain conservative and has not budgeted Measure I tasks to their full potential. This strategy should provide a hedge against the current fluctuations in the transactions and use tax. Projects could be delayed to offset any projected deficits, but this usually is not in the best interest of the agency. Delays in construction and purchase of right of way can be costly. SANBAG continuously searches for additional funding sources to supplement the program. Staff has successfully reduced overall costs of the program by monitoring the status of the projects closely. Additionally, Measure I revenue is eligible to be pledged against bond proceeds.

Local Transportation Fund

The Transportation Development Act (TDA) authorizes the creation of a Local Transportation Fund (LTF) in each county for the transportation purposes specified in the "Mills-Alquist Deddeh Act," also known as the Transportation Development Act, Public Utilities Code Section 99200. Revenues to the Local Transportation Funds are derived from the quarter cent of the 8.75% cent retail sales tax collected countywide. The quarter cent is returned by the State Board of Equalization to each county according to the amount of tax collected in that county. There is a three-step process for disbursement of these funds: (1) apportionment, (2) allocation, and (3) disbursement. One step does not always imply or require the next. Annually, SANBAG, acting as the Transportation Planning Agency (TPA), determines each area's apportionment of the anticipated Local Transportation Funds. Once funds are apportioned to a given area, they are typically available only for allocation to claimants in that area. Allocation is the discretionary action by SANBAG that designates funds to a specific claimant for a specific purpose. Disbursement is authorized by allocation instructions issued by SANBAG, which may call for payment in a lump sum, installments, or as funds become available.

After determining amounts allocated for planning and administrative purposes, funds are allocated for pedestrian/bicycle projects, support of transit operation and capital projects and in the mountain/desert region for street and road improvements. In addition to the role of administrator for LTF, SANBAG is a recipient of Local Transportation Funds for planning, fund administration, and the commuter rail programs in the amounts of \$1,949,745, \$425,000 and \$8,548,590 respectively. Refer to program budgets *Air Quality & Traveler Services Program, Transportation Planning and Programming, Transit & Passenger Rail Program, and Transportation Fund Administration Program* for details. Columns on the *Budget Summary* schedule define the expenditures that will be supported by this funding.

The LTF funding growth rate for Fiscal Year 2009/2010 has been estimated at -17%. These funds often grow at a rate comparable to Measure I, which reflects a 15% decrease from the

original Fiscal Year 2008/2009 budget. Should the LTF funds not decrease at the expected rate, the apportionment will be revised.

State Transit Assistance Fund

The TDA provides for a second source of revenue; the State Transit Assistance Fund (STAF). These revenues are derived from a portion of the sales tax applied to the purchase of gasoline and diesel and are appropriated annually by the State Legislature. In prior years, STAF revenue was allocated by the State Controller pursuant to a formula that considers County population and the ratio of passenger fares and local support of each eligible transit operator in the County to the State total population and total fares and local support for all eligible transit operators in the State. The amount of STAF available in any given year is highly dependent upon the State Legislature and the State Budget. As part of the budget compromise in February 2009, the Legislature reduced the apportionment of STAF for Fiscal Year 2008/2009 by half, to \$153 million statewide, and eliminated funding for the STAF program through Fiscal Year 2012/2013. Refer to program budget ***Transit & Passenger Rail Program*** for details. Columns on the ***Budget Summary*** schedule define the expenditures that will be supported by this funding.

Local Fund

General Assessment Dues - SANBAG annually collects dues from its member jurisdictions as authorized in the joint powers agreement, that are intended to fund SANBAG activities related to issues of mutual concern to the general membership. Dues are levied by a formula whereby one-half of the assessment is based on population and the other one-half is based on the assessed valuation of each member jurisdiction. The total amount of the general dues assessment is \$105,241. Of that amount, \$28,653 is utilized to support Intergovernmental Relations and the balance is set aside for Council of Governments new initiatives. These funds are reserved in a restricted task until they are allocated by Board action. Detail for the estimated dues is presented on a table entitled ***SANBAG General Assessment Dues Estimated Calculation*** in the *Financial Section*.

Local Reimbursement – Several agencies have participated in programs administered by SANBAG and have entered into agreements to reimburse SANBAG for those activities and services that fall within the respective jurisdictions. Types of reimbursements that are included in this classification are those related to Congestion Management, and the Freeway Service Patrol. These anticipated reimbursements will fund the proposed corresponding activities.

Vehicle Registration Fees

In accordance with Section 2550-2557 of the California Streets and Highways Code, the County of San Bernardino and a majority of the cities representing a majority of the population within the incorporated territory approved the formation of a Service Authority for Freeway Emergencies (SAFE) and designated SANBAG as that agency in 1986. Under the auspices of SAFE, SANBAG administers a program that currently provides approximately 1,400 call boxes on State freeways and highways within San Bernardino County. Approximately 15,000 calls are placed from call boxes throughout the county each year. Spacing between individual call boxes ranges from one-quarter mile intervals in high volume traffic areas to two mile intervals in more remote locations. The vehicle registration fees support the related expenditures of the cellular service for the call boxes program and its related operating and capital expenses. Refer to the program budget for ***Air Quality & Traveler Services Program*** for details.

Grants/Special Revenue

In accordance with SANBAG's revenue policy to obtain grants, reflected in this budget are the following grants: Congestion Mitigation and Air Quality; Surface Transportation Program; Transportation Enhancements; Congressional Authorizations; State Transportation Improvement Program; Planning, Programming, and Monitoring; Longer Life Pavement; Traffic Congestion Relief Program; and, Federal Transit Administration Section 5307 and 5309 funds for passenger rail projects. The amounts of the grants and the tasks that they will fund are represented in the column labeled "Grants" on the table entitled ***Budget Summary*** contained in the ***Program Summary*** of this budget. The SANBAG Board has authorized the use of Measure I funds to fund costs of programs and projects expected to be reimbursed to SANBAG under an approved funding agreement. These grants are project specific; if funding is not received, these individual projects are postponed until alternative funding can be found. Narrative on the primary grants is as follows:

Congestion Mitigation and Air Quality - With the development of the Congestion Mitigation/Air Quality (CMAQ) funding program, the federal government has recognized that air quality problems and highway congestion are linked. The CMAQ program provides funding to areas of the country that have serious air quality challenges such as the South Coast and Mojave Desert Air Basins of Southern California. CMAQ funds must be spent on projects that help reduce ozone, carbon monoxide or particulate pollution and include construction of high occupancy vehicle (HOV) lanes on freeways, public transit bus purchases, rail transit capital improvements, and regional projects or programs that serve to reduce congestion and improve air quality.

The SANBAG Board of Directors has historically allocated the majority of CMAQ funds to other agencies that administer the identified local projects or to regional projects administered by SANBAG. As a result, the CMAQ dollars in the SANBAG budget reflect only a portion of the funds that SANBAG administers. The total amount of CMAQ funds allocated by the SANBAG Board of Directors is outlined in the ***State and Federal Transportation Fund Allocation Responsibilities*** section of this budget document. SANBAG is the recipient of CMAQ funds for construction of HOV lanes, regional trip reduction strategies, and regional signal coordination programs.

Surface Transportation Program – The Surface Transportation Program (STP) provides flexible federal funding that may be used for projects on any federal-aid highway, bridge projects on any public road, transit capital projects, and intercity and intra-city bus terminals and facilities. The SANBAG Board of Directors has historically allocated the majority of STP funds to other agencies that administer the identified local projects or to regional projects administered by SANBAG. As a result, the STP dollars in the SANBAG budgets reflect only a portion of the funds that SANBAG administers. The total amount of STP funds allocated by the SANBAG Board of Directors is outlined in the ***State and Federal Transportation Fund Allocation Responsibilities*** section of this budget document. SANBAG is the recipient of STP funds for the implementation of Measure I Major Projects.

Transportation Enhancement Program - The Transportation Enhancement (TE) Program provides federal funding for projects that enhance the quality of life in and around the transportation system. These projects must have a direct relationship to the transportation system

and must be over and above the normal project or what is required for the mitigation of transportation projects pursuant to the National Environment Policy Act and California Environmental Quality Act. The SANBAG Board of Directors has historically allocated the majority of TE funds to other agencies that administer the identified local projects or to regional projects administered by SANBAG. As a result, the TE dollars in the SANBAG budgets reflect only a portion of the funds that SANBAG administers. The total amount of TE funds allocated by the SANBAG Board of Directors is outlined in the ***State and Federal Transportation Fund Allocation Responsibilities*** section of this budget document. SANBAG is the recipient of TE funds for landscaping projects along the Measure I Major Projects.

Congressional Authorizations - The United States Congress authorizes federal funding for a large number of transportation programs and facilities identified as Projects of Regional and National Significance (PRNS), High Priority Projects (HPP), and Transit Projects. The total amount of authorized funds is outlined in the ***State and Federal Transportation Fund Allocation Responsibilities*** section of this budget document. In this fiscal year SANBAG is the recipient or administrator of HPP funds for various interchange projects.

State Transportation Improvement Program - In 1997 the State Legislature and Governor enacted Senate Bill 45, fundamentally changing how California funds transportation projects in the State Transportation Improvement Program (STIP). SB 45 divided the STIP into two distinct categories: the Regional Improvement Program (RIP), funded from 75% of the funds available, and the Interregional Improvement Program (IIP), funded from the remaining 25% of STIP funds available. SANBAG nominates a program of projects for the regional share and Caltrans nominates a program of projects for the interregional share. These programs must be approved and allocated by the California Transportation Commission. SANBAG is the recipient of RIP and IIP funds for Measure I Major Projects and various interchange and grade separation projects.

Planning, Programming and Monitoring – SB 45 changed many of the rules which govern the development and monitoring of the Regional Transportation Improvement Program (RTIP). The RTIP is the primary means of implementing the regional policies and objectives of the Regional Transportation Plan (RTP) through a precise list of projects and funding to be accomplished within the county. Enactment of SB 45 allows local policy makers to establish the transportation priorities for inclusion in the STIP. As part of that process, SANBAG receives RIP funds to provide for planning, programming and monitoring responsibilities as authorized in SB 45.

Traffic Congestion Relief Program – The Traffic Congestion Relief Program (TCRP) was signed into law by then-Governor Gray Davis in July 2000 under Assembly Bill 2928. This program authorized \$4.9 billion in State funds through 2006 for complete or partial funding of 141 projects statewide that were intended to relieve congestion, provide safe and efficient movement of goods, and to provide connections between various modes of travel. The recent State fiscal crisis has caused delay to many of these projects. SANBAG is the recipient of TCRP funds for Measure I Major Projects and various interchange and grade separation projects.

Debt Summary

Debt Financing

SANBAG's debt program exists to support Measure I project completion. Within Measure I, debt has been used to finance rail projects and capital projects rather than other planning and programming activities. SANBAG's authority to use debt was embodied within the Measure I Ordinance No. 89-1. SANBAG has made prudent use of its debt capacity: although Measure I permitted \$500 million par amount of bonds, the maximum par amount outstanding has not exceeded \$234.4 million.

SANBAG currently has four sales tax revenue bond issues outstanding. The bonds are limited obligations of SANBAG and are payable from and secured by a pledge of a portion of the revenues from the imposition of a half-cent retail transactions and use tax imposed in the incorporated and unincorporated territory of the County of San Bernardino. The transaction and use tax was imposed commencing April 1, 1990, and remains in effect through March 31, 2010, in accordance with the provisions of the Measure and Ordinance No. 89-1. Ordinance No. 89-1 became effective following a public referendum and is to provide for the construction, maintenance, improvement and operation of local streets, roads and highways, State highways and freeways, and public transit systems. Also included are expenditures for planning, environmental reviews, engineering, design costs and related right-of way acquisition, and debt service on bonds and expenses in connection with the issuance of bonds. In 2004, Measure I was reauthorized by San Bernardino County voters and extended through 2040.

SANBAG has adopted a strategic plan for the Measure I Major Projects portion of the Measure I Program. The related ***Major Projects Measure I Cash Flow Plan*** for this program, through the year 2015, receives continuing policy review. Additional oversight is provided by staff and SANBAG's financial advisor that includes analysis of revenues and sizing/timing of bond issues. SANBAG's investment advisor also provides direction for investment of bond proceeds as it relates to safety, liquidity, diversification, and a reasonable market ratio of return. Acceleration of the Measure I Major Projects Program and the scheduled advanced construction of various highways and interchanges cannot be completely offset by current revenues. In April 2009, the SANBAG Board of Directors authorized the issuance of a short-term revenue note.

Following is the detail for SANBAG's outstanding bond issues:

Sales Tax Revenue Bonds, 1996 Series A - Original Issue of \$60,035,000. As of June 30, 2008, the remaining issue consists of \$11,995,000 of serial bonds that have scheduled maturities through March 1, 2010, with interest rates of 6.25%. This issue was for the purposes of restructuring prior debt and to fund capital projects as defined by the strategic plan. The prior debt was used for capital projects.

Sales Tax Revenue Bonds, 1997 A - Original Issue of \$65,000,000. As of June 30, 2008, the remaining issue consists of \$19,595,000 of serial bonds that have scheduled maturities through March 1, 2010, with interest rates of 4.875%. Proceeds from this issue were used to fund capital projects as defined by the strategic plan.

Debt Summary (Continued)

Sales Tax Revenue Bonds, 2001 A – Original Issue of \$85,000,000. As of June 30, 2008, the remaining issue consists of \$21,745 of serial bonds that have scheduled maturities through March 1, 2010, with interest rates of 5%. Proceeds from this issue were used to fund capital projects as defined by the strategic plan.

Sales Tax Revenue Bonds, 2001 B – Original Issue of \$47,020,000. As of June 30, 2008, the remaining issue consists of \$19,545,000 of serial bonds that have scheduled maturities through March 1, 2010, with interest rates of 4.0%. This issue was for the purposes of restructuring prior debt. The prior debt was used for capital projects.

Debt Service Schedule

General Long Term Debt			
Year	Principal	Interest	Total
2009	35,500,000	3,453,007	38,953,007
2010	37,380,000	1,833,156	39,213,156
Total	72,880,000	5,286,163	78,166,163

General Long Term Debt				
	Year	Total	Principal	Interest
This Year's Requirement	2009	38,953,007	35,500,000	3,453,007
Maximum Requirement	2010	39,213,156	37,380,000	1,833,156

Debt Capacity Analysis

SANBAG is prohibited from issuing additional parity debt if its debt coverage ratio is less than 1.3 to 1 on all senior debt. SANBAG has adopted a policy to not issue any additional bonds if the debt service coverage ratio would be less than 1.3.

The primary objective in debt management is to keep the level of indebtedness within available resources. Measure I is a fluctuating revenue stream. However, budgeted expenditures are based on a conservative anticipated revenue growth rate and available bonding capacity.

The current year's pledged revenue divided by current year debt service provides 3.2 times coverage and the prior year's pledged revenues divided by maximum annual debt service provided 3.0 times coverage. Actual receipts for the current fiscal year are below the projected amounts. Economic indications are that Measure I growth will continue to decrease, at least through fiscal year 2009. SANBAG will take steps to insure that coverage does not drop below the 1.3 coverage ratio in the final years of Measure I. Prior to a new issue, the coverage is reviewed to insure that it will not be less than 1.3 for all senior debt.

Measure I Cash Flow Plan

Estimated Revenue Pie Chart

San Bernardino Associated Governments

Estimated Revenues

Fiscal Year 2009/2010

Category of Revenue	Actual FY 2007/2008	Budget As of 2/4/09	Estimate FY 2009/2010
Grants and Other Revenue			
Congestion Mitigation and Air Quality	9,216,285	3,454,512	29,141,594
Federal Demonstration Funds	84,817	61,154	540,000
Traffic Congestion Relief Program	27,631,695	26,271,295	22,648,570
Corridor Mobility Improvement Account	0	0	9,600,000
Transportation Enhancement Activities	16,670	1,580,000	4,600,000
Regional Improvement Program	3,000	31,059,140	2,520,000
Surface Transportation Program	7,624,402	2,245,798	2,400,000
Interregional Improvement Program	0	1,175,000	2,344,200
Longer Life Pavement	0	445,000	640,000
Planning, Programming and Monitoring	1,202,000	1,200,000	1,200,000
SAFE Vehicle Registration Fees	1,649,657	1,790,000	1,500,000
Freeway Service Patrol	4,165,362	1,330,000	1,499,606
Rail Assets	405,707	156,000	200,000
Rail Speedway Ticket Sales	88,485	144,000	51,000
Local Funds/Reimbursements	776,826	41,589,222	24,990,346
Other Revenue	0	9,560,000	3,779,820
Sub-Total	52,864,906	122,061,121	107,655,136
Local Transportation Fund			
Administration	350,000	550,000	425,000
Planning	2,643,516	2,511,664	1,949,745
Rail	8,840,000	9,980,500	8,548,590
Pass-Through	74,557,995	65,533,332	54,068,165
Sub-Total	86,391,511	78,575,496	64,991,500
State Transit Assistance Fund			
Rail	1,299,899	1,100,000	0
Pass-Through	6,455,483	10,136,139	884,410
Sub-Total	7,755,382	11,236,139	884,410

Category of Revenue Continued on Next Page

Category of Revenues Continued.....

Category of Revenue	Actual FY 2007/2008	Budget As of 2/4/09	Estimate FY 2009/2010
Measure I 1990-2010			
Administration	1,408,021	1,417,179	883,994
Mountain/Desert Local Pass-Through	24,647,392	22,317,123	15,752,770
<i>Measure I 1990-2010 Valley</i>			
Major Projects	61,377,977	61,211,158	38,034,187
Arterial	13,345,034	13,710,539	8,611,514
Commuter Rail	8,892,864	9,136,490	5,741,009
Elderly/Disabled Transit	6,666,780	6,849,465	4,305,757
Traffic Management Environmental Enhancement	2,226,085	2,287,024	1,435,252
Local Pass-Through	22,237,899	20,926,830	13,634,897
<i>Sub-Total Measure I 1990-2010</i>	<i>140,802,052</i>	<i>137,855,808</i>	<i>88,399,380</i>
Measure I 2010-2040			
Administration	0	0	294,665
Cajon Pass	0	0	875,154
<i>Measure I Valley – 2010-2040</i>			
Freeway Projectss	0	0	6,482,761
Freeway Interchange Projects	0	0	2,458,978
Major Street Projects	0	0	4,470,869
Metrolink /Rail Service	0	0	4,470,869
Senior/Disabled Transit	0	0	1,788,348
Express Bus/Bus Rapid Transit Service	0	0	1,788,348
Traffic Management Systems	0	0	447,087
Local Street Projects/Pass-Through	0	0	447,087
<i>Measure I Mountain/Desert 2010-2040</i>			
Major Local Highway Projects	0	0	1,485,574
Senior/Disabled Transit	0	0	297,115
Local Street Projects (68%)	0	0	116,469
Project Development/Traffic Management (2%)	0	0	2,377
Local Pass-Through	0	0	4,040,760
<i>Sub-Total Measure I 2010-2040</i>	<i>0</i>	<i>0</i>	<i>29,466,461</i>
TOTAL REVENUES	\$287,813,849	\$349,728,564	\$291,396,887

**San Bernardino Associated Governments
General Assessment Dues Calculation
Fiscal Year 2009/2010**

Jurisdiction	Pop. 2007	% of Total Pop.	Assessed Value Before RDA 2007	% of Total Value	Avg. % Pop. & Value	FY 2008 Amount	FY 2009 Amount	Var.
Adelanto	28,181	1.371%	\$2,232,103,370	1.221%	1.296%	\$1,321	\$1,364	\$43
Apple Valley	70,092	3.410%	\$5,666,303,332	3.101%	3.255%	\$3,319	\$3,426	\$107
Barstow	23,952	1.165%	\$1,285,994,393	0.704%	0.934%	\$953	\$983	\$30
Big Bear Lake	6,256	0.304%	\$3,039,947,621	1.663%	0.984%	\$1,003	\$1,035	\$32
Chino	82,670	4.021%	\$9,041,752,478	4.948%	4.485%	\$4,572	\$4,720	\$148
Chino Hills	78,957	3.841%	\$9,032,211,908	4.943%	4.392%	\$4,478	\$4,622	\$144
Colton	51,918	2.525%	\$3,054,134,905	1.671%	2.098%	\$2,139	\$2,208	\$69
Fontana	188,498	9.169%	\$15,388,853,986	8.421%	8.795%	\$8,967	\$9,256	\$289
Grand Terrace	12,543	0.610%	\$850,070,195	0.465%	0.538%	\$548	\$566	\$18
Hesperia	87,820	4.272%	\$5,949,214,674	3.255%	3.764%	\$3,837	\$3,961	\$124
Highland	52,503	2.554%	\$3,272,471,912	1.791%	2.172%	\$2,215	\$2,286	\$71
Loma Linda	22,632	1.101%	\$1,768,973,293	0.968%	1.034%	\$1,055	\$1,089	\$34
Montclair	37,017	1.801%	\$2,639,987,206	1.445%	1.623%	\$1,654	\$1,708	\$54
Needles	5,807	0.282%	\$348,566,615	0.191%	0.237%	\$241	\$249	\$8
				10.519				
Ontario	173,690	8.449%	\$19,223,082,838	%	9.484%	\$9,670	\$9,981	\$311
Rancho				11.330				
Cucamonga	174,308	8.479%	\$20,705,335,334	%	9.905%	\$10,098	\$10,424	\$326
Redlands	71,807	3.493%	\$7,671,583,487	4.198%	3.845%	\$3,921	\$4,047	\$126
Rialto	99,767	4.853%	\$6,481,118,284	3.547%	4.200%	\$4,282	\$4,420	\$138
San Bernardino	205,493	9.996%	\$12,173,594,460	6.662%	8.329%	\$8,492	\$8,765	\$273
Twentynine								
Palms	27,966	1.360%	\$825,665,930	0.452%	0.906%	\$924	\$954	\$30
Upland	75,137	3.655%	\$7,150,530,459	3.913%	3.784%	\$3,858	\$3,982	\$124
Victorville	107,408	5.225%	\$9,391,001,311	5.139%	5.182%	\$5,283	\$5,453	\$170
Yucaipa	52,063	2.533%	\$3,821,580,569	2.091%	2.312%	\$2,357	\$2,433	\$76
Yucca Valley	21,268	1.035%	\$1,622,525,278	0.888%	0.961%	\$980	\$1,012	\$32
		14,496		16.476	15.486			
County	298,013	%	\$30,108,317,915	%	%	\$15,790	\$16,297	\$507
	2,055,76		\$182,744,921,75					\$3,28
	6	100%	3	100%	100%	\$101,957	\$105,241	4

NOTES:

- 1) Population Source: Most recent Measure I population data, which is the Department of Finance estimate as of January 1 reconciled to the total population for San Bernardino County.
- 2) Net Assessed Value Source: Property Tax Section, County Auditor/Controller, 2008.
- 3) These calculations are based on the most recent data received from the County of San Bernardino.
- 4) Assessed valuation of jurisdiction includes properties within redevelopment areas.

San Bernardino Associated Governments
Indirect Cost Allocations
Fiscal Year 2009/2010

Line Items	2007/08 Actual	2008/09 Budget As of 2/4/09	2009/2010 Proposed
Salaries	758,466	822,252	865,952
Fringe Allocation	639,571	477,554	433,798
Auditing	70,075	63,000	116,000
Building	234,039	319,430	360,000
SANBAG Vehicle	1,918	2,600	3,000
Communication	35,896	51,000	49,400
Consulting Fees	0	25,000	10,000
County Charges	166,881	121,000	120,680
Fixed Assets	37,859	47,000	0
Insurance	444,203	501,000	510,000
Inventorial Equipment	98,701	53,470	28,350
IT Prof Services & Software	40,920	597,590	86,360
Maintenance of Equipment	4,039	23,000	12,500
Meeting Expense	8,859	6,400	2,700
Mileage Reim/Sanbag Only	445	800	2,700
Office Expense	51,884	43,800	73,500
Postage	15,646	6,400	35,400
Printing	91,091	48,700	62,600
Professional Service	388,063	449,617	586,600
Records Storage	9,231	13,040	8,000
Rental of Equipment	0	8,500	4,200
Training	19,576	14,710	37,000
Travel Air	1,714	600	200
Travel Allowance	53,616	49,200	56,000
Travel-Other	10,253	25,500	16,000
Utilities	44,050	59,684	67,000
Total New Budget	\$0	\$ 0	3,547,940
Total Actual/Planned Budget	\$3,226,996.00	\$3,830,847.00	\$3,547,940

Program Overview

The 2009/2010 SANBAG budget is organized into six distinct program areas containing new budget requirements of \$294,407,564. New budget requirements and estimated encumbrances from Fiscal Year 2008/2009 equate to a total estimated budget of \$387,447,575 for 2009/2010. Within these six program areas, ninety-nine specific tasks are budgeted. The table below lists the six programs contained in the SANBAG budget which direct the financial and human resource expenditures of the agency for the Fiscal Year 2009/2010 budget year.

SANBAG Program Budgets			
	2007/08 Actual	2008/09 Budget as of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$93,040,011
Air Quality & Traveler Services Program	4,692,058	6,187,723	5,573,032
Transportation Planning & Programming	5,663,763	8,579,304	2,931,055
Major Project Delivery Program	132,369,405	215,048,672	169,998,921
Transit & Passenger Rail Program	12,381,619	35,437,259	13,618,735
Transportation Fund Administration Program	158,822,406	117,520,241	99,786,325
General - Council of Govts. Support Program	1,584,240	3,364,388	2,499,496
Total New Budget	\$0	\$0	\$294,407,564
TOTAL	\$315,513,491	\$386,137,587	\$387,447,575

The pie chart entitled *Budgeted Expenditures* is a graphic representation of the expenditures contained in this budget depicted by program. It is notable that over 96% of the total new expenditures will fall into the Major Project Delivery, Transit and Passenger Rail, and Transportation Fund Administration Programs for the new budget activity. These three programs include the substantial investments by SANBAG in highway construction, commuter rail operations and pass-through funds for local transit and street improvements within San Bernardino County.

Total budgeted expenditures for Fiscal Year 2009/2010 of \$387,447,575 show a less than 1% decrease by from Fiscal Year 2008/2009 budgeted expenditures of \$386,137,587.

A complete listing of the tasks contained in the six programs is included in this section of the budget document on the table entitled *Task Listing Fiscal Year 2009/2010*.

BUDGET EXENDITURE GRAPH

Air Quality and Traveler Services Program Budget

The Air Quality and Traveler Services Program (formerly the Regional and Quality of Life Program) represents those tasks relating to projects serving travelers within the county and often extending beyond San Bernardino County boundaries to adjoining counties and the region. This program budget includes the continuation of tasks related to inter- and intra-county ridesharing, improvement of air quality, the call box program and other traveler services. Task 10210000 - Air Quality Activities, now combines the activities formerly divided between two tasks, Air Quality Planning and Air Quality Implementation.

Air Quality and Traveler Services Program				
Task Listing				
		2007/08	2008/09	2009/10
		Actual	Budget as of	Proposed
			02/04/09	
Anticipated Encumbrances		\$0	\$0	\$0
10210000	Air Quality Activities	50,290	90,852	74,991
40610000-A	Rideshare Management	180,795	810,299	817,062
40610000-B	Inland Empire Commuter Services	385,918	466,900	571,341
40610000-C	Rideshare Incentive Programs	469,744	665,000	684,950
40610000-D	Regional Rideshare Programs	186,290	301,868	224,926
70210000	Call Box System	1,532,525	1,544,452	1,104,804
70410000	Freeway Service Patrol/State	1,424,807	1,709,295	1,816,436
70610000	Intelligent Transportation Systems	33,605	105,964	86,057
70710000	Freeway Service Patrol/I-215/SR60	379,821	400,931	122,109
81209000	Clean Fuels Implementation	47,763	92,161	70,356
Total New Budget		\$0	\$0	\$5,573,032
Total Actual/Planned Program Budget		\$4,692,058	\$6,187,723	\$5,573,032

This program contains several generic tasks that relate to SANBAG staff participation in the regional planning process of an on-going nature. Air Quality provides for several staff members to participate with both the South Coast Air Quality Management District (SCAQMD) and the Mojave Desert Air Quality Management District (MDAQMD) in the development of rules and implementation of programs, particularly in the area of mobile source emission reduction.

Several tasks included in this program relate to ridesharing activities, which are essential to gaining maximum utility from highway investments and to insuring programmatic support for the high-occupancy vehicle lane investments. Ridesharing outreach and incentive programs serving San Bernardino County residents are managed by SANBAG staff through contractors operating in both San Bernardino and Riverside Counties.

Transportation Planning and Programming Budget

The Transportation Planning and Programming Program (formerly called the Subregional Transportation Planning and Programming Program) represents the continuing responsibilities of the agency relative to comprehensive transportation planning, congestion management, modeling and forecasting, and focused transportation study efforts.

This year will see the continuation of phased implementation of the San Bernardino Valley Coordinated Traffic Signal System Plan to upgrade and coordinate nearly 1,000 traffic signals on regionally significant arterial segments throughout the Valley area. Additionally, there is a task which provides for activities related to meeting State and Federal data collection and monitoring requirements for transportation systems throughout San Bernardino County and developing transportation system performance data needed to support SANBAG's transportation planning and programming decisions.

Several changes have taken place in this program to better accommodate the variety of activities within it. Task 11010000 - Regional Transportation Planning, Task 11110000 - Freight Movement Planning (formerly Freight Movement), and Task 11210000 - Growth Forecasting and Planning (formerly Regional Growth Forecast Development) have moved from the original Regional and Quality of Life Program to Transportation Planning and Programming (now called Air Quality and Traveler Services). Other tasks have been renamed to better define their current activities. Task 60910000 - Agency Strategic Plan is now Strategic Planning/Delivery Planning, and Task 40410000 - Comprehensive Transportation Plan is now called Subregional Transportation Planning. Several tasks within this program provide for the comprehensive, countywide planning of transportation systems and congestion management.

Also included in this program are transportation studies that address corridor specific needs within subareas of the county. These studies are critical to determination of future facility needs and to qualify for discretionary funding sources allocated on a statewide basis.

These tasks serve to meet the Board approved SANBAG goals by providing for the planning, programming, and monitoring of transportation projects and the funding allocations which provide for their implementation. Adequate long range planning and allocations based upon sound technical information provides for development of the integrated system of highways, transit and commuter rail which serve the traveling public, as well as the efficient movement of goods to the county and the region.

**Transportation Planning & Programming
Task Listing**

		2007/08 Actual	2008/09 Budget as of 02/04/09	2009/10 Proposed
Anticipated Encumbrances		\$0	\$0	\$2,267,952
11010000	Regional Transportation Planning	128,634	82,692	106,124
11110000	Freight Movement Planning	300,154	239,496	116,189
11210000	Growth Forecasting & Planning	57,894	192,777	133,495
20210000	Transportation Modeling & Forecasting	80,134	108,644	93,451
20310000	Congestion Management	139,503	184,170	77,859
21310000	High Desert Corridor Studies	30,950	19,259	14,927
37310000	Federal/State Fund Administration	467,530	571,947	660,183
40410000	Subregional Transportation Plan	88,866	140,967	190,203
40910000	Data Development & Management	203,498	190,929	190,929
50010000	Transportation Improvement Program	248,341	233,268	213,437
52610000	Subregional Transportation Monitoring	51,405	17,827	13,688
60110000	County Trans. Commission - General	340,652	422,037	385,750
60910000	Strategic Planning/Delivery Planning	290,128	602,676	395,061
61210000	Local Project Technical Assistance	0	77,342	44,655
70110000	Valley Signal Coordination Program	2,890,793	4,204,096	84,621
94110000	Mt/Desert Planning/Project Development	331,716	1,272,274	210,483
Total New Budget		\$0	\$0	\$2,931,055
Total Actual/Planned Program Budget		\$5,663,763	\$8,579,304	\$5,199,007

Major Project Delivery Program Budget

The Major Project Delivery Program (formerly Project Development) budget is composed almost exclusively of tasks associated with implementation of the major freeway, interchange, and grade separation projects and is funded significantly by the Measure I Transportation Transactions and Use Tax. This program represents the largest portion of the capital budget for SANBAG. This program budget contains tasks associated with the full array of activities necessary for preparation, management, and construction of major projects. Two new tasks have been added to the program this year, Task 81710000 - SR 60 Sound Wall and Task 83910000 - I-215 HOV GAP Closure Project.

The budget for design, construction, support and traffic mitigation contained in this program represent 57.8% of the total SANBAG new expenditures planned for Fiscal Year 2009/2010.

Major Project Delivery Program Task Listing		2007/08 Actual	2008/09 Budget as of 02/04/09	2009/10 Proposed
Anticipated Encumbrances		\$0	\$0	\$12,709,300
81510000	Measure I Program Management	1,569,383	2,224,952	3,485,331
81710000	SR-60 Sound Wall	2,589,724	1,231,310	458,093
82010000	SR-210 Final Design	939,834	572,452	42,600
82210000	SR-210 Right of Way Acquisition	7,770	1,037,828	512,454
82410000	SR-210 Construction	14,007,020	10,950,809	4,510,978
82510000	I-10 Corridor Project Development	2,261,517	6,210,133	2,187,882
82610000	I-10 Cherry/Citrus Interchanges	307,623	8,959,506	2,747,472
83010000	I-215 SanRiv Project Development	425,448	1,554,973	55,986
83410000	I-215 Final Design	3,008,834	2,137,125	190,557
83610000	I-215 Right of Way Acquisition	7,149,446	38,633,017	4,619,790
83810000	I-215 Construction	20,309,007	35,000,570	49,666,288
83910000	I-215 Bi County HOV Gap Closure	0	0	2,739,011
84010000	I-215 Barton Road Interchange	417,591	764,170	117,949
84110000	I-10 Riverside Interchange	103,619	11,731,803	21,532,752
84210000	I-10 Tippecanoe Interchange	249,209	1,147,204	2,257,683
84310000	I-10 Live Oak Canyon	5,796,847	10,729,274	244,811
84510000	I-215 Mt. Vernon/Wash. Interchange	128,807	502,129	202,430
85010000	Alternative Project Financing	0	3,302,365	1,724,808
86010000	I-10 Lane Addition-Redlands	12,355,019	3,652,278	122,000
86210000	I-10 Westbound Lane Add-Yucaipa	975,051	946,465	10,423,072
86910000	Glen Helen Pkwy Grade Separation	128,807	502,129	664,194
87010000	Hunts Lane Grade Separation	420,248	7,641,469	12,102,165
87110000	State St/Univ. Pkwy Grade Separation	13,414,460	8,954,887	573,461
87210000	Ramona Avenue Grade Separation	155,108	13,777,880	1,341,266
87310000	Valley Boulevard Grade Separation	14,398	749,081	93,370
87410000	Palm Avenue Grade Separation	871,079	0	582,368
87510000	Main Street Grade Separation	3,026,379	0	308,126
87610000	S Milliken Ave/UPRR Grade Separation	0	600,000	703,371
87710000	Vineyard Ave/UPRR Grade Separation	0	600,000	711,856
87810000	Archibald Ave/UPRR Grade Separation	0	600,000	707,671
87910000	Colton Cross BNSF/UPRR Grade Sep.	1,195,603	81,958	2,411,354
88010000	I-15/I215 Devore Interchange	2,589,724	1,231,310	2,744,616
93110000	Debt Service - Major/97 Issue	10,529,169	10,529,169	10,524,206
94410000	Debt Service - Major/96 Issue	5,658,221	6,561,563	6,566,250
94810000	Debt Service - Major/01 Issue A	11,659,063	11,659,063	11,665,500
94910000	Debt Service - Major/01 Issue B	10,105,397	10,271,800	10,457,200
Total New Budget		\$0	\$0	169,998,921
Total Actual/Planned Program Budget		\$132,369,405	\$215,048,672	\$182,708,221

Tasks in the Project Development Program serve to meet the Board approved SANBAG goals by providing the project preparation and actual construction of freeway, interchange and grade separation facilities. Tasks also carry out Board direction to explore the use of alternative project financing methods. Various methods of public/private partnerships will be evaluated for use in San Bernardino County on select freeway corridors. Progress on these projects continues to accomplish important benchmarks in meeting SANBAG's commitment to the public under the Measure I Transportation Transactions and Use Tax approved in 1989 and renewed in 2004 by San Bernardino County voters with the passage of Measure I 2010-2040.

Transit and Passenger Rail Program Budget

Tasks related to SANBAG's responsibilities in conjunction with transit systems, social service transportation, and the commuter rail system, is all budgeted in the Transit and Passenger Rail Program budget (formerly called Transit/Commuter Rail Program).

SANBAG's responsibilities relating to oversight and technical assistance to transit operators is found in several of the tasks included in this program. These tasks provide for assistance and oversight of the urban area transit operations, Omnitrans and Victor Valley Transit Authority, as well the transit operators in the rural communities of Barstow, Morongo Basin, Needles, and the San Bernardino Mountains. Each transit agency will be required to prepare a five-year Short Range Transit Plan covering Fiscal Years 2009/2010 through 2013/2014. In addition, upon completion of the public transit-human services transportation coordination plan for the County, SANBAG will be working towards addressing the needs from the study, including institutional options for the formation of a Consolidated Transportation Services Agency (CTSA) in the San Bernardino Valley. During the year, SANBAG will also conduct a study for commuter needs between the Victor and San Bernardino Valleys. All of the remaining activities relating to planning, technical assistance, and oversight responsibilities of urban and rural transit systems are continued at moderate levels.

Several tasks contained in this program fund the administration, operation, and capital expenses of the commuter rail service in the San Bernardino Valley Subarea. During Fiscal Year 2007/2008, the Metrolink San Bernardino Line transported 3.46 million passengers; the Riverside Line carried 1.3 million passengers; and the Inland Empire/Orange County Line carried transported 1.28 million passengers. SANBAG has obtained State Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds for the purchase of three expansion passenger rail cars. These cars will be purchased over a three year period. SANBAG has also applied for this funding for Positive Train Control implementation. SANBAG will be seeking additional Federal and State funding for additional capacity improvements on the San Bernardino line, the construction of new rolling stock storage and maintenance facility in the Inland Empire and the purchase of additional rolling stock. In addition, SANBAG will continue to work toward extending the Metro Gold Line to Montclair and has completed the strategic planning effort of possibly extending the Gold Line from Montclair to the Los Angeles/Ontario International Airport. And SANBAG will be completing the alternatives analysis and preliminary environmental assessment for implementing passenger rail service between San Bernardino and Redlands.

These tasks serve to meet the Board approved SANBAG goals by funding modal alternatives of transit and commuter rail for the residents of San Bernardino County's rural areas and urban centers.

Transit and Passenger Rail Program Task Listing				
		2007/08 Actual	2008/09 Budget as of 02/04/09	2009/10 Proposed
Anticipated Encumbrances		\$0	\$0	\$26,072,744
30910000	General Transit	225,062	553,608	411,580
31510000	Omnitrans	53,235	64,244	72,527
31610000	Barstow-County Transit	148,738	473,329	37,654
31710000	Victor Valley Transit	37,980	138,038	57,128
31810000	Morongo Basin Transit	27,083	39,090	33,585
31910000	Social Service Transportation Plan	244,851	268,950	172,380
32010000	Needles Transit	9,929	19,813	18,470
32110000	Mountain Area Transit	35,225	39,015	36,814
35210000	General Commuter Rail	584,419	1,246,437	636,976
37710000	Commuter Rail Operating Expenses	7,030,102	10,892,543	10,628,115
37810000	Speedway Rail Operating Expenses	193,194	180,500	171,475
37910000	Commuter Rail Capital Expenses	3,428,664	20,051,387	1,136,000
38010000	Redlands Rail Extension	224,628	947,562	75,841
38110000	Gold Line Phase II	29,402	341,729	46,891
50110000	Federal Transit Act Programming	109,107	181,014	83,299
Total New Budget		\$0	\$0	\$13,618,735
Total Actual/Planned Program Budget		\$12,381,619	\$35,437,259	\$39,691,479

Transportation Fund Administration Program Budget

This program (formerly called Transportation Programming and Fund Administration) contains tasks that are most central to SANBAG's role as the County Transportation Commission and relate directly to the administration and allocation of resources for the implementation of transportation projects. These tasks support the policy considerations that lead to prioritization of transportation projects, as well as the allocation and administration of both State and Federal transportation funds coming to San Bernardino County.

Tasks in this program reflect the high dollar value of the Measure I Transactions and Use Tax revenue which is passed through to cities and the county for local street projects, totaling close to \$36.9 million in Fiscal Year 2009/2010. A majority of these funds are directed to the road priorities determined by local jurisdictions on their local streets, while a small amount in the Mountain/Desert jurisdictions is made available for elderly and persons with disabilities transit

fare subsidies and service enhancements. In the Valley area, almost \$6.1 million will be allocated to subsidize transit service and fares for the elderly and persons with disabilities served by the Valley transit operator, Omnitrans. It also reflects the inclusion of the distribution of Local Transportation Fund and State Transit Assistance Fund revenues to local transit operators and Mountain/Desert jurisdictions for local street projects.

Transportation Fund Administration Program				
Task Listing				
		2007/08	2008/09	2009/10
		Actual	Budget as of	Proposed
			02/04/09	
Anticipated Encumbrances		\$0	\$0	\$51,276,091
50210000	TDA Administration	232,113	605,265	425,000
50410000	Measure I Administration – Valley	72,352	322,587	136,661
50510000	Measure I Administration – Mt./Desert	178,957	183,376	164,721
50610000	Local Transportation Fund	81,919,082	65,533,332	54,068,165
50710000	State Transit Assistance Fund	22,525,000	2,660,805	884,410
51310000	Measure I Valley E & D	7,054,751	7,580,564	6,025,000
51510000	Measure I Apportionment/Allocation	0	0	143,421
61010000	Measure I 2010-2040 Project Advancement	13,565	18,903	39,651
90710000	Debt Service – Big Bear/92 Issue	108,135	108,183	108,212
90810000	Debt Service – Mt./Unincorporated/92 Issue	45,931	45,926	45,965
9180000	Valley Measure I Local	22,173,933	19,139,679	18,105,766
9180100	Mt./Desert Measure I Local	23,582,907	20,411,241	18,727,823
94610000	Debt Service – Barstow/96 Issue	749,277	744,000	742,120
95010000	Debt Service – Yucca Valley/01 Issue B	166,403	166,380	169,410
Total New Budget		\$0	\$0	\$99,786,325
Total Actual/Planned Program Budget		\$158,822,406	\$117,520,241	\$151,062,416

Numerous tasks are also dedicated to the administrative functions performed by SANBAG as authorized in the Transportation Development Act, Measure I Transactions and Use Tax, and Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). Tasks such as the newest task in this program, Task 51510000 - Measure I Apportionment and Allocation, are also dedicated to implementing provisions of Measure I 2010-2040 which begins in April 2010. Other changes to this program include the addition of Task 61010000 – Measure I 2010-2040 Project Advancement which previously fell under the Subregional Transportation Planning and Programming Program.

The tasks in the Transportation Program and Fund Administration serve to meet the Board approved SANBAG goals by efficient and effective administration of transportation funds. It also provides a flexible source of transportation funding directed to local governments to allow them to meet transportation priorities of their local communities. This flexible source of transportation funding additionally provides for leveraging of other resources to maximize the benefit of funds available to municipalities.

General - Council of Governments Support Program Budget

The set of tasks collected in the General – Council of Governments Support Program (formerly called Program Support/Council of Governments) provide general services and support to the entire array of programs contained throughout this budget. This includes tasks related to fulfilling general activities of SANBAG as a Council of Governments, as well as the basic support provided in the areas of financial management, legislative advocacy, intergovernmental relations, and public information.

General - Council of Governments Support Program Task Listing				
		2007/08 Actual	2008/09 Budget as of 02/04/09	2009/10 Proposed
Anticipated Encumbrances		\$0	\$0	\$713,924
10410000	Intergovernmental Relations	333,425	533,328	407,904
49010000	Council Of Govts New Initiatives	964	418,229	444,726
50310000	Legislation	529,617	450,510	516,954
60510000	Publications & Public Outreach	447,586	512,494	494,259
80510000	Building Operations	8,707	125,822	99,314
80610000	Building Improvements	13,658	637,691	167,841
94210000	Financial Management	250,283	686,314	368,498
Total New Budget		\$0	\$0	\$2,499,496
Total Actual/Planned Program Budget		\$1,584,240	\$3,364,388	\$3,213,420

The Publications and Public Outreach task contained in this program provides for a variety of programs and materials that educate the public on the activities of SANBAG. It is through these activities that the public can participate in the transportation planning processes conducted by SANBAG. It is also through this task that SANBAG works with local economic development interests, business groups, and transportation coalitions to further those infrastructure projects that serve to enhance the local economy.

The Intergovernmental and Legislative tasks contained in this program are essential to the on-going work with state and federal legislators; local, State and federal agencies; and regional transportation agencies to assure that transportation funding and project preparation are progressing relative to priorities established by the SANBAG Board. SANBAG has been particularly successful in the sponsorship of legislative proposals that improve the administrative processes performed by SANBAG.

The tasks in the General – Council of Governments Support Program serve to meet the Board approved SANBAG goals by providing for on-going work with local, State, and federal officials toward meeting the needs of SANBAG member jurisdictions. These relationships allow for SANBAG to work with private community organizations and the general public to address their transportation concerns. They also provide for SANBAG to serve as a facilitator and catalyst for addressing the mutual issues of concern to the SANBAG membership. A key example of which has been SANBAG's participation in efforts to address the home foreclosure crisis in San Bernardino County.

SANBAG

State and Federal Transportation Fund Allocation Responsibilities

One of the essential roles for SANBAG as the County Transportation Commission, in addition to transportation planning and programming responsibilities, is the allocation of State and federal funds to transportation projects within the county. Although some of these funds do not flow through the SANBAG budget, the authority to allocate these transportation funds has as much policy and program significance as the agency budget.

SANBAG allocates specified State and federal transportation funds among priority projects in the county and designates a lead agency to administer implementation of the projects. Once the SANBAG Board of Directors makes an allocation and a project is programmed in the Regional Transportation Improvement Program, the lead agency is responsible for applying for funds through SANBAG, State, or federal agencies and is responsible for meeting appropriate requirements. State and federal funds allocated by the SANBAG Board of Directors do not flow through the SANBAG budget unless SANBAG itself is the lead agency for project implementation.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), was enacted August 10, 2005, for the five-year period from 2005 to 2009. SAFETEA-LU authorized federal transportation funds for investment in highways, transit, intermodal projects, and technologies such as Intelligent Transportation Systems, while providing State and local flexibility in the use of funds. SAFETEA-LU will expire in Fall 2009, but passage of a new federal transportation act may be delayed. In similar past cases, the flow of the federal funds described below is usually maintained at a level similar to authorization from the expired federal transportation act through continuing resolutions of Congress.

In California, Regional Transportation Planning Agencies and County Transportation Commissions, such as SANBAG, are authorized by State law to allocate federal funds specified below for transportation projects within the county. The following information relates to provisions of federal law, California statutes, and actions of the SANBAG Board of Directors to allocate funds to specific projects within the county.

FEDERAL FUNDING SOURCES

Surface Transportation Program Funds (STP) – STP provides flexible funding that may be used for projects on any federal-aid highway, bridge projects on any public road, transit capital projects, and public bus terminals and facilities. SAFETEA-LU expanded STP eligibilities to include advanced truck stop electrification systems, high accident/high congestion intersections, and environmental restoration and pollution abatement, control of noxious weeds and aquatic noxious weeds, and establishment of native species, and sustains eligibility of programs to reduce extreme cold starts, sidewalk modifications to meet Americans with Disabilities Act (ADA) requirements, and infrastructure-based intelligent transportation systems. By federal and State law, a portion of STP is reserved for rural areas and may be spent on rural minor collectors. The total amount of STP funding anticipated to be apportioned to San Bernardino County during the term of SAFETEA-LU, including the year prior to the implementation of SAFETEA-LU but

after expiration of the previous federal transportation act (2004-2009), is approximately **\$115.1 million**.

STP funding for San Bernardino County is the sum of annual apportionments as follows:

- Riverside-San Bernardino Urbanized Area (within SBCO) – \$8.2M annual average apportioned to SANBAG for allocation to projects generally in the San Bernardino Valley area east of I-15.
- LA-Long Beach—Santa Ana Urbanized Area (within SBCO) – \$6M annual average apportioned to SANBAG for allocation to projects generally in the San Bernardino Valley area west of I-15.
- Victorville-Hesperia-Apple Valley Urbanized Area – \$2.2M annual average apportioned to SANBAG for allocation to projects generally within Victorville, Hesperia, and Apple Valley.
- Rural Funds – \$2.8M annual average, of which \$1.09M is exchanged with State funds for use by the County of San Bernardino on rural County roads, and the balance of which is made available by Caltrans to SANBAG in the form of any area funds.

In February 2003, the SANBAG Board of Directors approved funding principles to guide the allocation of available funds in response to State budget shortfalls. For the Valley, these principles emphasize the importance of maximizing funding for completion of the Valley Measure I Major Projects Program. In the Mountain/Desert, the principles refer to project readiness and the ability to leverage large amounts of other funds as key factors in the allocation of funds. In addition, in April 2003, the SANBAG Board approved allocation principles for funds anticipated from SAFETEA-LU that prioritized the continuation of previously Board-approved regional programs, transit, and the use of SAFETEA-LU funds in place of Measure I Major Projects funds wherever possible to save a balance of Major Projects funds for the I-215 Bi-County project. These principles have been used to guide set-asides and allocations for all funds received through SAFETEA-LU.

Projects for which the SANBAG Board of Directors has approved STP funding are listed below. Note that allocations to non-Measure I Major Projects in the Valley predate the allocation policy above and that the Fiscal Year 2009/2010 apportionment for the Riverside-San Bernardino and LA-Long Beach—Santa Ana Urbanized Areas, which is not included in the estimated total apportionment below, will be required to fully fund the I-215 North Corridor.

Surface Transportation Program (STP) Projects 2004-2009		
FUND/PROJECT	PROJECT COST	TOTALS
STP Anticipated Six Year Total		\$117,450,402
NEPA Delegation – Caltrans Staffing	\$104,617	

Surface Transportation Program (STP) Projects 2004-2009		
FUND/PROJECT	PROJECT COST	TOTALS
Contribution		
San Bernardino County Rural Roads Required by State Statute State cash exchange	\$6,566,376	
El Mirage Rd Rehabilitation and Paving City of Adelanto	\$1,375,466	
Yucca Loma Bridge over Mojave River Town of Apple Valley	\$2,800,000	
Signalization of Big Bear Blvd and Village Drive City of Big Bear Lake	\$295,000	
Ranchero Rd Grade Separation City of Hesperia	\$3,650,000	
I-15/Main St Interchange Caltrans	\$150,000	
Various Locations County of San Bernardino	\$16,713,876 includes State cash exchange	
National Trails Highway Passing Lanes County of San Bernardino	\$1,907,284	
Needles Highway Realignment and Rehabilitation County of San Bernardino	\$1,434,865	
I-15 / La Mesa/Nisqualli Interchange City of Victorville	\$3,800,000	
I-15 / Mojave Drive Overcrossing Widening City of Victorville	\$1,000,000	
I-10 East Median Lane Addition – Orange to Ford SANBAG	\$22,000,000	
SR-210 Landscaping – Segments 5 and 7	\$716,845	
I-215 North Corridor SANBAG/Caltrans	\$76,425,000	
Main Street Intersection Improvements at Iowa City of Colton	\$230,524	
Widen 5 th Street from Route 30 to Palm City of Highland	\$870,600	
Widen State Street from 16 th to Foothill City of San Bernardino	\$2,005,000	
Oak Glen Road Traffic Signal Interconnect City of Yucaipa	\$150,000	
TOTAL Allocated		\$131,952,909
TOTAL Estimated STP Unallocated		(\$14,502,507)

Congestion Mitigation and Air Quality Funds (CMAQ) – Under SAFETEA-LU, CMAQ funds are authorized to fund transportation projects or programs which contribute to attainment

of ambient air quality standards. California implementing statutes authorize SANBAG, acting as the County Transportation Commission and Congestion Management Agency, to select and program CMAQ projects with input from the metropolitan planning organization, Caltrans, and air quality districts.

CMAQ is available to areas that do not meet the National Ambient Air Quality Standards (nonattainment areas), as well as former nonattainment areas. Funds are distributed based upon a formula that considers population by county and the severity of its ozone and carbon monoxide air quality problems within the nonattainment or maintenance area. CMAQ eligibility is conditioned on analyses showing that the projects will reduce emissions of criteria pollutants. Activities typically eligible for funding by CMAQ include high occupancy vehicle (HOV) lanes, transit improvements, travel demand management strategies, traffic flow improvements such as signalization and signal synchronization, and public fleet conversions to cleaner fuels. The total amount of CMAQ funds anticipated to be apportioned from SAFETEA-LU, including the year prior to the implementation of SAFETEA-LU but after expiration of the previous federal transportation act, (2004-2009) is approximately **\$28.5 million** in the Mojave Desert Air Basin (MDAB) and **\$126.0 million** in the South Coast Air Basin (SCAB) within San Bernardino County.

Projects for which the SANBAG Board of Directors has approved CMAQ funding are listed below. Note that the allocation principles discussed previously also govern the allocation of CMAQ funds.

Congestion Mitigation and Air Quality (CMAQ) Projects South Coast Air Basin (SCAB) 2004-2009		
FUND/PROJECT	PROJECT COST	TOTALS
CMAQ Anticipated Six Year Total		\$126,023,411
Interstate 215 from I-10 to SR-30, HOV Lane SANBAG/Caltrans	\$72,651,000	
Inland Empire Transportation Management Center (TMC) & Park-n-Ride Caltrans	\$5,050,000	
ITS Infrastructure Caltrans	\$1,000,000	
Park-n-Ride at SR-210/Beech Av Caltrans	\$154,927	
Washington/Reche Canyon/Hunts Ln Mitigation City of Colton	\$400,000	
Colton/San Bernardino Pedestrian and Bikeway City of Colton	\$432,704	
Mountain Area Regional Transit Authority Capital MARTA	\$2,067,863	
Omnitrans Capital Omnitrans	\$9,937,000	
Valley Traffic Signal Coordination SANBAG	\$4,416,230	

Congestion Mitigation and Air Quality (CMAQ) Projects South Coast Air Basin (SCAB) 2004-2009		
FUND/PROJECT	PROJECT COST	TOTALS
South Coast Air Basin Rideshare Program	\$6,063,000	
San Bernardino Avenue Traffic Signal Construction & Synchronization County of San Bernardino	\$254,533	
East Valley LNG/LCNG Fueling Facility City of San Bernardino	\$866,266	
Metrolink Parking Structure at Santa Fe Depot City of San Bernardino	\$6,608,000	
Metrolink Station – Additional Parking City of Upland	\$2,776,800	
TOTAL Allocated		\$112,678,323
TOTAL Estimated CMAQ Unallocated		\$0

Authorizations for CMAQ funding in the Mojave Desert Air Basin within San Bernardino County allocated in response to calls for projects and set-asides are as follows:

Congestion Mitigation and Air Quality (CMAQ) Projects Mojave Desert Air Basin (MDAB) 2004-2009		
FUND/PROJECT	PROJECT COST	TOTALS
CMAQ Anticipated Six Year Total		\$25,573,840
Adelanto/Auburn/Jonathan Paving City of Adelanto	\$224,000	
Barstow Transit Capital City of Barstow	\$3,228,053	
Inland Empire TMC & Park-n-Ride Caltrans	\$1,350,000	
Morongo Basin Transit Authority Capital MBTA	\$1,212,000	
Rideshare Program for Mojave Desert Air Basin	\$1,831,000	
Park and Ride Lot Expansion at I-15/Amargosa City of Victorville	\$573,728	
Park and Ride Lot at Victor Valley College City of Victorville	\$829,987	
Victor Valley Transit Authority Capital VVTA	\$4,178,290	
TOTAL Allocated*		\$13,427,058
TOTAL Estimated CMAQ Unallocated		\$12,146,782

*Further action of the SANBAG Board will be required to allocate funds in excess of those listed.

Transportation Enhancement (TE) Funds –The TE program provides funding for projects that enhance the quality of life in and around the transportation system, must have a direct relationship to the transportation system, and must be over and above the normal project or what

is required for the mitigation of transportation projects pursuant to the National Environmental Policy Act and California Environmental Quality Act. TE funds are derived from the STP funds apportioned to the State. In 2005, the TE apportionment was ten percent of the STP apportionment. In the years thereafter, the TE apportionment is the greater of ten percent of the State STP apportionment or the 2005 TE apportionment. Projects eligible for TE funds include facilities or safety and education activities for bicycles and pedestrians, preservation of abandoned rail right-of-way corridors, transportation-related historic preservation, transportation aesthetics and scenic values, mitigation of water pollution due to highway runoff, establishment of transportation museums, projects to reduce vehicle-caused wildlife mortality, restoration of historic transportation facilities, and removal of outdoor advertising.

In California, County Transportation Commissions like SANBAG select TE projects to be funded within the County. As of Fiscal Year 2003/2004, TE projects are programmed by SANBAG in the State Transportation Improvement Program (STIP) and allocated by the California Transportation Commission. The total amount of TE funds available during the 2008 STIP is approximately **\$17.6 million**. Projects approved for TE funding are as follows:

Transportation Enhancement (TE) Projects 2009-2013		
FUND/PROJECT	PROJECT COST	TOTALS
TEA Anticipated Five Year Total		\$17,635,000
Rim of the World Scenic Trail U.S. Forest Service	\$200,000	
Santa Ana River Trail Project San Bernardino County	\$3,921,000	
Riverwalk Trail Project, City of Victorville	\$6,202,000	
Interstate 10 Corridor Landscaping in Yucaipa	\$841,000	
Route 210 Corridor Landscaping**	\$2,000,000	
I-215 North Hardscape**	\$1,445,000	
TOTAL Allocated*		\$15,209,000
TOTAL Estimated TEA Unallocated		\$2,426,000

*Further action of the SANBAG Board will be required to allocate funds in excess of those listed.

** Total of \$3,445,000 was allocated to the I-215 North final construction segment, allocated in April 09.

Congressional Authorizations – In the adoption of SAFETEA-LU, the United States Congress included specific project funding authorizations for certain transportation programs and facilities, which were identified as Projects of National and Regional Significance (PNRS), High Priority Projects (HPP), and Transit Projects. Authorizations for many projects in San Bernardino County were included in these categories, as listed below. Although SANBAG does not have allocation authority over Congressional Authorizations, the SANBAG Board took action to initiate and actively advocate for funding of several projects in this listing. Others were the direct result of efforts of members of congress and/or sponsoring agencies. These efforts resulted in an additional **\$158 million** in transportation project funding authorized for projects within San Bernardino County. Once provisions for the full funding of these projects are developed, it is the responsibility of SANBAG to program the projects in the Regional Transportation Improvement Program (RTIP).

Congressional Authorizations 2005-2009		
FUND/PROJECT	AUTHORIZATION	TOTALS
Alameda Corridor East (PNRS)	\$31,250,000	
Inland Empire Goods Movement Gateway Project (PNRS)	\$55,000,000	
Mt Vernon Ave Grade Separation (HPP) City of Colton	\$1,600,000	
Riverside Ave RR Bridge Improvements (HPP) City of Rialto	\$400,000	
I-15/Baseline Rd Interchange (HPP) City of Rancho Cucamonga	\$4,000,000	
I-10/Riverside Ave Interchange (HPP) City of Rialto	\$1,600,000	
Ranchero Rd Grade Separation (HPP) City of Hesperia	\$4,000,000	
I-10/Grove Ave Corridor Interchange (HPP) City of Ontario	\$2,400,000	
Ramona Ave Grade Separation (HPP) City of Montclair	\$1,600,000	
Pine Ave Extension (HPP) City of Chino	\$6,800,000	
Inland Empire Goods Movement Gateway Project (HPP)	\$20,000,000	
Safety Improvements (HPP) Town of Yucca Valley	\$1,600,000	
I-15/La Mesa/Nisqually Interchange (HPP) City of Victorville	\$1,200,000	
State St/Cajon Blvd Grade Separation (HPP) City of San Bernardino	\$1,600,000	
Lenwood Rd Grade Separation (HPP) City of Barstow	\$1,200,000	
I-10/Cypress Ave Overpass (HPP) City of Fontana	\$2,400,000	
High Desert Corridor (HPP)	\$4,000,000	
Washington/La Cadena Grade Separations (HPP) City of Colton	\$400,000	
Peyton Dr, Eucalyptus Ave, English Channel Improvements (HPP)	\$5,628,888	
US-395 Realignment and Widening (HPP) Caltrans	\$400,000	
Hunts Lane Grade Separation (HPP) City of San Bernardino	\$5,000,000	
Inland Empire TMC in Fontana (HPP) Caltrans	\$1,200,000	

Congressional Authorizations 2005-2009		
FUND/PROJECT	AUTHORIZATION	TOTALS
Monte Vista Ave Grade Separation (HPP) City of Montclair	\$1,600,000	
El Garces Intermodal Facility (Transit) City of Needles	\$1,670,000	
Omnitrans Center in Ontario (Transit) Omnitrans	\$836,000	
Santa Fe Depot (Transit) City of San Bernardino	\$418,000	
TOTAL SAFETEA-LU Authorizations		\$157,802,888

Federal Transit Administration (FTA) Formula Funds – Congress annually appropriates formula funds to urban and rural areas and to the State for providing transit operating and capital assistance as authorized by SAFETEA-LU. Federal formula apportionments to urban areas (San Bernardino Valley and the Victor Valley) are authorized under Title 49 U.S.C. Section 5307. SAFETEA-LU authorized increases to the nationwide investment in transit over the six-year period (Fiscal Year 2003/2004 through 2008/2009) to \$52.6 billion, up 46% from TEA-21.

SAFETEA-LU authorizes the apportionment of Job Access and Reverse Commute (Section 5316) and the New Freedom Program (Section 5317) funds by formula to large urban, small urban and rural areas. The Southern California Association of Governments is the designated recipient for Sections 5316 and 5317 funds apportioned and allocated to the San Bernardino Valley. The Victor Valley Transit Authority is the designated recipient for funds apportioned to the Victor Valley. The Governor of the State of California is the designated recipient for all of the Section 5310 funds apportioned to the State and the Sections 5316 and 5317 funds apportioned to small urban and rural areas. SAFETEA-LU requires that projects for Sections 5310 (see below), 5316 and 5317 be selected from a process developed from the preparation of a public transit-human services transportation coordination plan in Fiscal Year 2006/2007. The SANBAG Board approved the coordination plan in January 2008 allowing for the submittal of grant applications during Fiscal Year 2007/2008 and SANBAG completed its first call for projects and awarded \$675,210 in Sections 5316 and 5317 to specific projects within the San Bernardino and Victor Valleys in Fiscal Year 2008/2009.

Rural federal formula assistance (Section 5311) funds are expected to increase significantly as a result of SAFETEA-LU. These funds are apportioned to the Governor of the State of California, which then allocate them to the regional transportation planning agencies.

SANBAG, acting as the County Transportation Commission, must approve the use of the FTA funds through its approval of each operator's biennial Short Range Transit Plan as well as insure the approved projects are included the Regional Transportation Improvement Program (RTIP).

As noted above, Section 5310 funds are apportioned to states for support of transit services for the elderly and persons with disabilities. These funds are currently made available through a

competitive process administered by the California Transportation Commission. Grant awards are made to non-profit corporations and under certain circumstances to public agencies, for capital projects necessary for providing transportation services to meet the needs of elderly individuals and individuals with disabilities for whom public mass transportation services are otherwise unavailable, insufficient, or inappropriate. Due to the requirement that beginning in Fiscal Year 2006/2007 projects seeking these funds be derived from a locally developed public transit-human services transportation coordination plan, there was no competitive solicitation for the Fiscal Year 2007/2008 cycle. Instead, the State has combined two years of the State's apportionment into a competitive solicitation with applications due to the State in late August 2008. In October 2008 the Board approved forwarding applications from six agencies totaling \$1.16 million to the State for consideration.

As of the date for this budget message, local agencies were still awaiting final Congressional appropriations. Estimates of the expected amounts to be available for transit agencies are shown below.

Federal Transit Administration (FTA) Formula Funds 2008/2009 Appropriations		
Apportionment Area (Includes Sections 5307, 5309, 5311, 5316, AND 5317)	Estimated Appropriation/Allocation	TOTAL
San Bernardino Valley – 5307	\$21,000,000	
San Bernardino Valley – 5316	\$993,000	
San Bernardino Valley – 5317	\$413,000	
Victor Valley – 5307	\$2,569,000	
Victor Valley – 5316	\$156,000	
Victor Valley – 5317	\$71,000	
San Bernardino County Rural	\$1,092,000	
Total Estimated Appropriation/Allocation		\$26,294,000

Federal Transit Administration (FTA) Capital Investment Funds – Historically, Congress has annually appropriated funds for transit capital investment (Section 5309) in three broad categories: fixed guideway modernization, new starts (rail and fixed guideway bus), and bus or bus related equipment as authorized by TEA-21. SAFETEA-LU continues these three categories and adds a new category of small starts (rail and fixed guideway bus) under which projects of less than \$250 million may receive grants of up to \$75 million. Fixed guideway modernization funds are apportioned to areas operating rail systems of at least seven years of age. From the fixed guideway modernization funds, the San Bernardino Valley is expected to receive **\$4,487,000** for rail capital projects in Fiscal Year 2008/2009. During Fiscal Year 2008/2009 anticipated appropriations from the Section 5309 bus and bus facilities category included: the Needles El Garces Intermodal Station at **\$451,440**, Metro Gold Line at **\$3.38 million**, Omnitrans at **\$225,720** for the construction of the Ontario Transcenter, and improvements at the San Bernardino Santa Fe Depot for **\$112,860**.

The period of authorizations contained within SAFETEA-LU expires September 30, 2009. As Congress considers a new transportation authorization bill SANBAG has expressed support of increasing the authorization levels for transit projects while streamlining and simplifying FTA oversight of its formula and discretionary grant programs.

American Recovery Reinvestment Act (ARRA) of 2009 – In February 2009 Congress passed the American Recovery Reinvestment Act to partially address a nationwide economic decline and job loss associated with the most severe recession in recent memory. Nationwide the Act will provide \$27.5 billion for highway improvements and \$8.34 billion for transit projects. In March 2009, SANBAG was apportioned a total of \$80,931,585 in ARRA funds as a result of ABX3-20 (Bass), which directs the State to sub-allocate a 62.5% ARRA share directly to the regions. This amount also includes \$2.05M to be used for projects within the rural area. On April 1, 2009, the SANBAG Board of Directors approved allocation of the full amount of ARRA funds under the discretion of SANBAG to the I-215 North project. The Board also directed staff to develop a multiyear local stimulus program for distribution of funds to cities and the county in place of ARRA Funds to meet the ABX3-20 intent. The Program will be funded through the combination of Measure I and State funds. The ARRA funding for transit projects is distributed using the conventional FTA formula programs to urban and rural areas. San Bernardino County will receive over **\$32.5 million** for transit projects.

STATE FUNDING SOURCES

SANBAG is authorized by statute to prioritize and allocate State funds as follows:

State Transportation Improvement Program (STIP) – One of the key roles played by SANBAG in funding of transportation improvements is its involvement in the development of the STIP. The STIP is a five-year program of transportation projects that is formally updated through the combined efforts of Regional Agencies, Caltrans, and the California Transportation Commission every two years. Although STIP funds were previously a mix of funds from the federal transportation act and State funds designated for transportation purposes, the STIP is now entirely funded with State funds. Federal funds that once contributed to funding in the STIP are now entirely dedicated to maintenance and operating of the State highway system.

The widely recognized inadequacy of the State gasoline excise tax to address the State's transportation needs led to passage of Proposition 42 in 2002. Prop 42 dedicated the sales tax on gasoline, in addition to the gasoline excise tax, to funding of transportation. However, it did not ensure against the repeated borrowing of these funds by the State to balance the State budget. The passage of Proposition 1A in 2006, provided protection for Prop 42 funding by requiring that such loans can occur no more than twice in any ten-year period, and must be fully repaid within three years. Prop 42 is now the main ongoing source of STIP revenue.

Regional Improvement Program (RIP) – Senate Bill 45, passed in 1997, dramatically changed the process for selecting projects to be funded in the STIP. Under this process, SANBAG is responsible for developing the list of projects to be funded in the county with RIP funds, which comprise 75% of the STIP funds available statewide. The California Transportation

Commission approves the program of projects to receive RIP funds developed by SANBAG. In March 2008, the SANBAG Board of Directors recommended allocation of STIP funds totaling **\$448 million** in the 2008 STIP to be used for priority projects in combination with federal fund allocations, State funds, Measure I revenue, and private contributions. These projects include completion of I-215 North; improvements to I-10, US-395, and SR-138; completion of the connection between the new SR-210 and I-215; and reconstruction or construction of several interchanges along I-10, I-15, and I-215. It should also be noted that the 2008 STIP was augmented by a component of Proposition 1B as described below. The State budget crisis of 2008 and 2009 therefore jeopardizes STIP funds. Development of the 2010 STIP will be initiated in late summer of 2009 by development of a new State fund estimate by Caltrans, and adoption of the fund estimate by the California Transportation Commission.

Interregional Improvement Program (IIP) – The remaining 25% of STIP funding is programmed by Caltrans and similarly subject to approval by the California Transportation Commission. SANBAG works with Caltrans District 8 to develop a list of projects for consideration. The California Transportation Commission can fund an IIP project that is nominated by SANBAG rather than Caltrans, only if the project can be shown to be a more efficient use of resources. The 2008 STIP proposal by Caltrans included **\$152.5 million** in additional IIP funds to augment approximately **\$232.3 million** in funding from prior STIPs for major interregional improvements, including widening of Interstate 15 northbound, widening of Route 138 and Route 58, a truck climbing lane on Interstate 15, and interchange improvements.

Transportation Development Act (TDA) Funds – The Transportation Development Act authorizes two important revenue sources, the Local Transportation Fund (LTF) and State Transit Assistance Fund (STAF), to support local transit service, pedestrian and bicycle facilities and local street improvement projects.

Local Transportation Fund (LTF) – SANBAG, acting as the County Transportation Commission, is responsible for administering the LTF. The LTF is derived from one-quarter cent of the 7.75 cent sales tax collected within the County of San Bernardino. Due to the recent slowing of the local economy, it became necessary to reduce the estimate of LTF receipts expected in Fiscal Year 2008/2009 by nearly \$7.6 million or 10%. The forecast of LTF receipts for the next year is a further reduction of 5%. The adopted LTF apportionment for Fiscal Year 2009/2010 is **\$64,991,500**.

As the LTF administering agency, SANBAG anticipates the receipt of **\$425,000** in Fiscal Year 2009/2010 for its administrative functions, including the fiscal and compliance audits of all recipients of LTF except Omnitrans. SANBAG also receives up to 3% of the LTF for apportionment, or **\$1,949,745**, for planning and programming activities during the fiscal year. As part of the Metrolink commuter rail program, SANBAG will receive an allocation of **\$8,428,115** for operating expenses. The LTF allocations are reported as revenue sources in the *Financial Section* of this report and flow through the SANBAG budget. A portion of these funds is allocated to the Southern California Association of Governments for its planning activities and to the San Bernardino County Auditor/Controller for performance of administrative functions. As administrator of the LTF, SANBAG also makes allocations to the following programs.

Pedestrian and Bicycle Facilities – Under Article 3 of the TDA, two percent of the annual LTF apportionment is designated to fund pedestrian and bicycle facilities, bicycle safety programs, bicycle trails, bicycle lockers or racks and for the development of a comprehensive bicycle and pedestrian facilities plan. In December 2008 the Board approved the release of the biennial “call for projects” for **\$643,995** for transit access improvements and **\$2,539,982** for pedestrian and bicycle projects. The next biennial “call for projects” will occur in the Fall of 2010. Twenty percent of the Fiscal Year 2009/2010 Article 3 funds, **\$249,908**, will be set aside for projects to improve pedestrian access to bus stops. The remainder, **\$999,634**, will be held for pedestrian and bicycle projects. The award of funds to projects is expected to occur in the Spring of 2009.

Transit and Street Projects – After administration, planning and pedestrian and bicycle apportionments have been determined, the balance of the LTF is apportioned by SANBAG in accordance with California Public Utilities Code Section 99231 to areas/jurisdictions on a per capita basis to support transit and street projects. In Fiscal Year 2009/2010 73% of the remaining balance, or **\$44,543,631**, has been apportioned to the Valley and will be used exclusively to for public transportation operations of Omnitrans and Metrolink. Included in the SANBAG budget is **\$8,428,115** for the Metrolink commuter rail program and the balance of **\$36,115,516** will be made available to Omnitrans. The remaining 24%, or **\$16,683,981**, is apportioned to the Mountain/Desert jurisdictions. If a finding is made that all transit needs are being reasonably met, LTF not expended for transit purposes can be expended for street and road projects.

Local Transportation Fund (LTF) Fiscal Year 2009/2010	
AREA	APPORTIONMENT
County Auditor Administration	\$20,000
SANBAG Administration	\$425,000
SANBAG Planning	\$1,949,745
SCAG Planning	\$119,600
Article 3 - Pedestrian Bicycle	\$1,249,543
Valley Transit	\$44,543,631
Mountain/Desert Transit and Streets	\$16,683,981
TOTAL	\$64,991,500

State Transit Assistance Fund (STA) – The STA revenue is derived from a portion of the sales tax on gasoline and diesel. In addition Proposition 42 approved by the voters of the State requires a portion of the sales tax on fuel be transferred to STA. The amount of STA available in any given year is highly dependent upon the State Legislature and the State Budget. Over the past several years, the Legislature has determined not to transfer the amount of sales tax on gasoline and diesel that should have been made available to the Public Transportation Account and STAF; instead using those revenues to support the General Fund portion of the State Budget. That was again the case in Fiscal Year 2008/2009. However, as part of the budget compromise in February 2009 the Legislature further reduced the apportionment of STA for Fiscal Year 2008/2009 by half, to \$153 million statewide and eliminated funding for the STA program through Fiscal Year 2012/2013.

Of the amount finally determined in the State Budget process, fifty percent of the STAF is allocated to regional transportation agencies such as SANBAG on a per capita basis. The other fifty percent is allocated to transit operators under the SANBAG jurisdiction based on the ratio of prior year total non-federal and State revenue to the total of all transit operators' non-federal and State revenue in the State. During Fiscal Year 2008/2009 it is anticipated that **\$5,019,495** will be allocated to SANBAG. The loss of STA through Fiscal Year 2012/2013 will have a devastating effect on the transit agencies as this is the source they depended upon for either matching federal capital grant funds or for non-federally funded capital projects. The budget for Fiscal Year 2009/2010 only anticipates the disbursement of the prior year operator apportionments in the amount of **\$884,410**.

Proposition 1B - The passage of Proposition 1B, the Highway, Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters in 2006, authorized \$19.925 billion in general obligation bond proceeds to be available for high-priority transportation corridor improvements, trade infrastructure and port security projects, school bus retrofit and replacement purposes, STIP augmentation, transit and passenger rail improvements, State-local partnership transportation projects, transit security projects, local bridge seismic retrofit projects, highway-railroad grade separation and crossing improvement projects, State highway safety and rehabilitation projects, and local street and road improvement, congestion relief, and traffic safety. Several of these programs have been initiated and will fund projects in San Bernardino County.

STIP Augmentation – Proposition 1B provided \$2 billion to the Transportation Facilities Account to augment the funds normally provided under the STIP. These funds were programmed by the California Transportation Commission in June 2007 and provided an additional \$97.3 million to San Bernardino County projects in the STIP. As noted above, the State budget crisis has affected the State's ability to sell bonds to provide these funds, such that STIP allocations have been delayed.

Corridor Mobility Improvement Account (CMIA) – Proposition 1B will provide \$4.5 billion to the Corridor Mobility Improvement Account (CMIA) to be allocated by the California Transportation Commission, upon appropriation in the annual Budget Bill by the Legislature, for performance improvements on the State highway system, or major access routes to the State highway system on the local road system that relieve congestion by expanding capacity, enhancing operations, or otherwise improving travel times within these high-congestion travel corridors. San Bernardino County received **\$175.8 million** in CMIA funding through application by SANBAG or by joint application with Caltrans as follows:

Proposition 1B Corridor Mobility Improvement Program	
PROJECT	ALLOCATION
I-10 Westbound Mixed Flow Lanes	\$26,500,000
State Route 210/I-215 Connectors	\$22,000,000
I-215 North Segments 1 & 2	\$49,120,000
I-215 North Segment 5	\$59,000,000
I-10 Auxiliary Lanes and Ramp Improvements in Fontana	\$19,233,000
TOTAL	\$175,853,000

The State budget crisis has also affected the availability of CMIA funds. To maintain the delivery schedules of the I-215 projects listed above, the SANBAG Board of Directors approved a funding plan for I-215 Improvement projects that included a purchase of State private investment bonds (PIBs) to enable timely use of CMIA funds for the project. The PIBs will mature in three years, and funds repaid to SANBAG by the State will be returned to the Measure I program.

Trade Corridors Improvement Fund (TCIF) – Proposition 1B provided \$2 billion to the Trade Corridors Improvement Fund (TCIF) for infrastructure improvements along federally designated "Trade Corridors of National Significance" in this state or along other corridors within this state that have a high volume of freight movement. The TCIF program was expanded to about \$3.1 billion during its development by the California Transportation Commission through the addition of State Highway Operation and Protection Funds and a commitment of additional funding from the next federal transportation act. San Bernardino County received **\$238.8 million** in TCIF funding through application by SANBAG as part of the Los Angeles-Inland Empire Trade Corridor Southern California Consensus Group as follows:

Proposition 1B Trade Corridors Improvement Fund	
PROJECT	ALLOCATION
I-15 Widening and Devore Interchange Reconstruction	\$118,012,000
I-10 Corridor Logistics Access Project (Cherry IC Reconstruction)	\$30,773,000
I-10 Corridor Logistics Access Project (Citrus IC Reconstruction)	\$23,600,000
I-10 Corridor Logistics Access Project (Riverside IC Reconstruction)	\$14,096,000
Glen Helen Pkwy Railroad Grade Separation	\$7,172,000
North Milliken Ave Railroad Grade Separation at UPRR	\$6,490,000
South Milliken Grade Separation at UP Los Angeles	\$8,031,000
Archibald Grade Separation at UP Los Angeles	\$7,658,000
Palm Grade Separation at BNSF/UP Cajon	\$9,390,000
Lenwood Grade Separation at BNSF Cajon	\$6,694,000
Vineyard Grade Separation at UP Alhambra	\$6,884,000
TOTAL	\$238,800,000

Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) - Proposition 1B will provide \$3.6 billion to Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) for distribution by the State Controller using the STA formula. The PTMISEA funds can only be used for capital projects

that meet the requirements of the State General Obligation Bond Law. The Fiscal Year 2007/2008 State Budget included an initial allocation of \$600 million of PTMISEA revenue. The Fiscal Year 2008/2009 State Budget included \$350 million of PTMISEA revenue. Five of the seven transit operators received an allocation totaling **\$1,745,874**. SANBAG received the population allocation totaling **\$8,998,594**. In February 2009, the Board approved the below list of projects for PTMISEA funding. In most cases, SANBAG became a co-sponsor for the projects and the PTMISEA revenues were disbursed directly to the transit agency acting as the project lead. Only the \$3.3 million for the positive train control project will be disbursed to SANBAG.

Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account		
TRANSIT OPERATOR	PROJECT	ALLOCATION ¹
Morongo Basin Transit Authority	29 Palms Transit Center	\$200,000
Morongo Basin Transit Authority	2 Small CNG Buses	\$182,506
Mountain Area Regional Transit Authority	Rolling Stock Replacement	\$80,000
Mountain Area Regional Transit Authority	Big Bear Facility Improvements	\$246,620
Omnitrans	E Street sbX Project	\$4,153,533
Metrolink	Positive Train Control	\$3,309,525
Metrolink		\$870,475
Victor Valley Transit Authority	Admin. & Ops. Facility	\$1,701,809
TOTAL		\$10,744,468

¹ Includes operator and population allocations

The January 2009 proposed State Budget for Fiscal Years 2008/2009 and 2009/2010 included another \$800 million in PTMISEA revenue for economic stimulus transit projects, but that provision was not included in the final adopted State Budget in February. Due to the State Budget crisis, the State has notified the PTMISEA recipients that funds contained in the Fiscal Year 2008/2009 Budget will not be made available until the Fall of 2009. At the time of this budget preparation, it is unclear how much if any PTMISEA revenue will be made available in Fiscal Year 2009/2010.

Transit System Safety, Security, and Disaster Response Account (TSSDRA) – Proposition 1B will provide \$1 billion to the Transit System Safety, Security, and Disaster Response Account (TSSDRA) for distribution by the Office of Homeland Security. Sixty percent (60%) of the funds are to be made available under the California Transit Security Grant Program – California Transit Assistance Fund (CTSGP-CTAF) using the same formula as used for the allocation of STAF. The Fiscal Years 2007/2008 and 2008/2009 State Budget included \$60 million for the CTSGP-CTAF. SANBAG and its transit operators will receive **\$1,753,204** for transit system security and safety capital projects. At the time of this budget preparation, it is unclear how much if any CTSGP-CTAF revenue will be made available in Fiscal Year 2009/2010.

Budget Summary (4pages)

San Bernardino Associated Governments

Task Listing

Fiscal Year 2009/2010

Air Quality & Traveler Services Program

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
10210000	<i>Air Quality Activities</i>	MK
40610000A	Rideshare Management	MK
40610000B	Inland Empire Commuter Services	MK
40610000C	Rideshare Incentive Programs	MK
40610000D	Regional Rideshare Programs	MK
70210000	Call Box System	MK
70410000	Freeway Service Patrol/State	MK
70610000	Intelligent Transportation Systems	MK
70710000	Freeway Service Patrol/SR-60/I-215	MK
81210000	Clean Fuels Implementation	MK

Major Projects Delivery Program (Cont'd.)

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
87710000	Vineyard Ave. Grade Separation	GC
87810000	Archibald Ave. Grade Separation	GC
87910000	Colton Crossing BNSF/UPRR Grd. Sep.	GC
88010000	I-15/I-215 Devore Interchange	GC
93110000	Debt Service – Major/97 Issue	WS
94410000	Debt Service – Major/96 Issue	WS
94810000	Debt Service – Major/01 Issue A	WS
94910000	Debt Service – Major/01 Issue B	WS

Transportation Planning & Programming Program

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
11010000	Regional Transportation Planning	TS
11110000	<i>Freight Movement Planning</i>	TS
11210000	<i>Growth Forecasting and Planning</i>	TS
20210000	Transportation Modeling & Forecasting	TS
20310000	Congestion Management	TS
21310000	High Desert Corridor Studies	DB
37310000	Federal/State Fund Administration	TS
40410000	<i>Subregional Transportation Planning</i>	TS
40910000	Data Development & Management	TS
50010000	Transportation Improvement Program	TS
52610000	Subregional Transportation Monitoring	TS
60110000	County Trans. Commission – General	TS
60910000	<i>Strategic Planning/Delivery Planning</i>	GC
61210000	Local Project Technical Assistance	TS
70110000	Valley Signal Coordination Program	TS
94110000	Mt./Desert Planning & Project Development	DB

Transit and Passenger Rail Program

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
30910000	General Transit	TR
31510000	Omnitrans	TR
31610000	Barstow-County Transit	TR
31710000	Victor Valley Transit	TR
31810000	Morongo Basin Transit	TR
31910000	Social Service Transportation Plan	TR
32010000	Needles Transit	TR
32110000	Mountain Area Transit	TR
35210000	General Commuter Rail	TR
37710000	Commuter Rail Operating Expenses	TR
37810000	Speedway Rail Operating Expenses	TR
37910000	Commuter Rail Capital Expenses	TR
38010000	Redlands Rail Extension	TR
38110000	Gold Line Phase II	TR
50110000	Federal/Transit Act Programming	TR

Major Projects Delivery Program

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
81510000	Measure I Program Management	GC
81710000	<i>SR-60 Soundwall</i>	GC
82010000	SR 210 Final Design	GC
82210000	SR 210 Right of Way Acquisition	GC
82410000	SR 210 Construction	GC
82510000	I-10 Corridor Project Development	GC
82610000	I-10 Citrus/Cherry Interchanges	GC
83010000	I-215 San/Riv Project Development	GC
83410000	I-215 Final Design	GC
83610000	I-215 Right of Way Acquisition	GC
83810000	I-215 Construction	GC
83910000	<i>I-215 Bi County HOV Gap Closure Project</i>	GC
84010000	I-215 Barton Road Interchange	GC
84110000	I-10 Riverside Interchange	GC
84210000	I-10 Tippecanoe Interchange	GC
84310000	I-10 Live Oak Canyon	GC
84510000	I-215 Mt. Vernon/Washington Interchange	GC
85010000	Alternative Project Financing	GC
86010000	I-10 Lane Addition – Redlands	GC
86210000	I-10 Westbound Lane Addition–Yucaipa	GC
86910000	Glen Helen Parkway Grade Separation	GC
87010000	Hunts Lane Grade Separation	GC
87110000	State St./Univ. Parkway Grade Sep.	GC
87210000	Ramona Ave. Grade Separation	GC
87310000	Valley Boulevard Grade Separation	GC
87410000	Palm Ave. Grade Separation	GC
87510000	Main Street Grade Separation	GC
87610000	So. Milliken Ave. Grade Separation	GC

Transportation Fund Administration Program

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
50210000	TDA Administration	TR
50410000	Measure I Admin – Valley	WS
50510000	Measure I Admin - Mt./Desert General	DB
50610000	Local Transportation Fund	TR
50710000	State Transit Assistance Fund	TR
51310000	Measure I Valley E & D	TR
51510000	<i>Measure I Valley Apportionment & Alloc</i>	TS
61010000	Measure I 2010-2040 Project Advance.	TS
90710000	Debt Service - Big Bear/92 Issue	WS
90810000	Debt Svc. - Mt./Unincorp./92 Issue	WS
91800000	Valley Measure I Local	WS
91801000	Mountain/Desert Measure I Local	WS
94610000	Debt Service - Barstow/96	WS
95010000	Debt Svc.-Yucca Valley/01 Issue B	WS

General - Council of Governments Support Program

<u>Task</u>	<u>Task Description</u>	<u>Mgr.</u>
10410000	Intergovernmental Relations	JF
49010000	Council of Governments. New Initiatives	DB
50310000	Legislation	JF
60510000	Publications & Public Outreach	DRB
80510000	Building Operations	DB
80610000	Building Improvements	DB
94210000	Financial Management	WS

BOLD ITALICS = NEW TASK FY 09/10

Italics = Name Change

San Bernardino Associated Governments
Task Modifications
 Fiscal Year 2009/2010

<u>New Tasks/Sub-Tasks</u>	<u>Task</u>	<u>Title</u>	<u>Manager</u>
51510000	Measure I Valley Apportionment and Allocations		Schuiling
81710000	SR-60 Sound Wall		Cohoe
83910000	I-215 Bi-County HOV Gap Closure Project		Cohoe

Ongoing Tasks with Title Changes

<u>Task</u>	<u>Old Title</u>	<u>New Title</u>	<u>Manager</u>
10210000	Air Quality Implementation	Air Quality Activities	Kirkhoff
11110000	Freight Movement	Freight Movement Planning	Schuiling
11210000	Reg. Growth Forecast Develop.	Growth Forecasting and Planning	Schuiling
40410000	Comprehensive Transp. Plan	Subregional Transportation Planning	Schuiling
60910000	Agency Strategic Plan	Strategic Planning/Delivery Planning	Cohoe

Closed Tasks

<u>Task</u>	<u>Title</u>	<u>Manager</u>
10109000	Air Quality Planning	Schuiling
11609000	Inland Transp. Corridor Plan/CETAP	Schuiling
40509000	TMEE Program Development	Schuiling
41009000	Non-Motorized Transportation Plan	Schuiling
81609000	Route 71 Right of Way Acquisition	Cohoe
81809000	Route 71 Landscape Design	Cohoe
94509000	Victor Valley Area Transportation Study	Barmack

Program Title Change

<u>From:</u>	<u>To:</u>
Program Support/Council of Governments	General – Council of Governments Support
Project Development	Major Projects Delivery
Regional & Quality of Life	Air Quality and Traveler Services
Subregional Transportation Planning & Programming	Transportation Planning and Programming
Transportation Programs & Fund Administration	Transportation Fund Administration
Transit/Commuter Rail	Transit and Passenger Rail

Program Change

<u>From:</u>	<u>To:</u>
Air Quality and Traveler Services	Transportation Planning and Programming

<u>Task</u>	<u>Title</u>	<u>Manager</u>
11010000	Regional Transportation Planning	Schuiling
11110000	Freight Movement Planning	Schuiling
11210000	Growth Forecasting and Planning	Schuiling

<u>From:</u>	<u>To:</u>
Transportation Planning and Programming	Transportation Fund Administration

<u>Task</u>	<u>Title</u>	<u>Manager</u>
61010000	Measure I 2010-2040 Project Advancement	Schuiling

STAFFING SECTION

Staffing Overview

This section of the SANBAG budget provides information relative to human resources requirements for Fiscal Year 2009/2010. The SANBAG workforce is comprised of a small group of professionals and support personnel who manage and implement various programs approved by the Board of Directors. As with any organization, SANBAG's human resources are the most critical and valued asset which move the organization toward attaining the goals and objectives set forth by the governing body.

Management Structure

SANBAG has a simple management structure which serves to facilitate the diverse responsibilities of the organization. Seven senior management staff lead small units of employees to carry out an array of programs under the general direction of the SANBAG Executive Director. The very nature of SANBAG's tasks requires that the senior management staff work independently and that they frequently engage in project development and implementation activities at the regional and statewide level.

SANBAG has built a team of senior management staff who work in a highly collaborative manner to address SANBAG management and policy issues. The senior management staff is accountable for objectives established annually within the SANBAG budget. A graphic representation of the management structure is depicted in the ***SANBAG Organization Chart***.

Staffing

The SANBAG workforce proposed in this budget is composed of the Executive Director, seven senior management positions, twenty-five professional/administrative positions, and twelve support positions. This budget proposes the addition of two new positions in the Administrative/Professional Group, as follows:

POSITION MODIFICATIONS		
Position	Range	Monthly Salary
Project Delivery Manager (2)	28 - 32	\$7,528 - \$11,122

Project Delivery Manager. The new Project Delivery Manager positions will be experienced, senior personnel that will be part of the Freeway Construction team and will be responsible for the delivery of a number of projects. These positions will be replacing services currently provided by contract. The positions will provide direction the project delivery teams and will represent SANBAG when meeting with other agencies and outside parties. These positions will report to the Director of Freeway Construction.

The total salary and benefit cost to SANBAG for the proposed new positions is estimated to be \$376,050. These positions will be funded by an offset by a reduction in consultant staff time required. As a result, there will be no added cost to SANBAG for these positions.

In addition to regular employees, temporary workers are occasionally used based on their particular skill level and availability in accordance with agency needs. There is no expectation

that temporary employees will be elevated to regular positions or that their employment will be extended beyond the particular project for which they are hired. Temporary employees receive an hourly wage, with no benefits. In the past year, SANBAG has used temporary employees to perform tasks in the areas of data management, finance, and clerical support.

The Fiscal Year 2009/2010 budget provides funding for a total of 45 regular employees and temporary employees for short-term assistance.

Contractors - SANBAG makes substantial use of contractors to provide numerous services critical to attaining the goals of the organization. These contractors fall into two distinct categories:

Supplemental Expertise Contractors. SANBAG retains a number of professional services contractors who provide on-going support in specific areas of expertise. Current contractors in this category have particular expertise in the areas of legal services, rail development and operations, project management, social service oriented transportation, legislative advocacy, computer network administration, financial and investment management. Each holds unique qualifications in specialized areas of expertise relative to SANBAG programs. These contractors render on-going advice and assistance in their specialized field and provide critical support to the on-going programmatic functions performed at SANBAG.

Project Specific Contractors. A number of consultants are retained to perform specific, identifiable projects. These contractors are retained to perform specific tasks within specified time frames. Under these contracts, consultants perform such work as traffic and facility studies, environmental review, transportation planning studies, and project engineering and design work. The use of these contractors provides for a fluctuating work force, based upon the agency requirements, and is of particular importance to the major freeway construction projects which are the largest component of the SANBAG Measure I transactions and use tax program.

Utilization of professional services contractors is an integral part of the management strategy and an essential component of the agency resources required to meet organizational goals. It is a strategy which has dividends both organizationally and fiscally to meet the changing human resources demands of the organization.

Salaries and Benefits

The *Salaries and Benefits Schedule* contained in this budget illustrates the total estimated costs for salaries and benefits during the FY 2009/2010 budget year, as estimated in April, 2009. The total salary and benefit cost proposed in the FY 2009/2010 budget is \$6,682,558, which represents 2.2% of the total budgeted new expenditures. The proposed FY 2009/2010 budget anticipates adjustments for general and salary equity adjustments during the year based on the recommendations of a new classification and compensation study to be completed in the first quarter of the fiscal year.

Staff Utilization

SANBAG budgets costs related to regular and temporary employees by allocation of their total hours to specific tasks. The pie chart entitled Hourly Staff Utilization by Program provides a visual display of human resources distributed by program. Also provided in this chapter is a table entitled Staff Utilization Report that depicts hours allocated by senior management, administrative/professional, and support employees to each task in the budget.

The *Staff Utilization Report* displays the distribution of resources among the various SANBAG tasks and programs, reflecting the amount of management and support staff hours necessary to perform tasks contained in the budget. Each full-time employee is budgeted for a total of 2,080 hours annually. In addition to hours worked, this total includes vacation, holiday, administrative, and sick leave. The hours worked by each employee are assigned directly to tasks approved in the annual budget, normally based on 1,850 hours worked.

For development of the annual budget, SANBAG employees allocate their total work hours among tasks based on their estimation of time necessary to accomplish work elements in the identified tasks. However, as work is performed throughout the year, hours are charged in accordance with actual time spent. As might be expected, the actual hours to accomplish tasks may vary from the original estimates included in the budget. SANBAG staff is authorized to reallocate budgeted salary costs from one program to another administratively as such adjustments may become necessary. This authority provides for accurate recordation of costs associated with budgeted tasks and provides important base information for future budgeting estimates.

SANBAG Organization chart

Table of Regular Positions

Fiscal Year 2009/2010

Support Group	FY 07/08	FY 08/09	FY 09/10
Senior Accounting Assistant	1	1	1
Accounting Assistant (II)	2	2	2
Clerk/Receptionist (II) & (III)	2	2	2
Secretary (I) & (II)	2	2	2
Secretary (III)	4	4	4
Assistant to the Clerk of the Board	1	1	1
Total Support Group	12	12	12
Administrative/Professional Group			
Accounting Manager	1	1	1
Administrative Services Specialist	1	1	1
Air Quality/Mobility Program Manager	1	1	1
Air Quality/Mobility Specialist	1	1	1
Chief of Alternative Project Financing	0	1	1
Chief of Planning	1	1	1
Chief of Programming	1	1	1
Clerk of the Board/Administrative Assistant	1	1	1
Construction Manager	1	1	1
Contracts/Controls Manager	1	1	1
Data Program Administrator	1	1	1
Human Resources/Information Services Manager	1	1	1
Legislative Specialist	1	1	1
Project Delivery Manager	0	0	2
Public Information Officer	1	1	1
Public Information Specialist	1	1	1
Transportation Planning/Programming Analyst (Senior)	1	1	1
Transportation Planning/Programming Analyst	2	3	3
Transit Analyst (Senior)	1	1	1
Transit Analyst	1	1	1
Transit Specialist	0	1	1
Transportation Planning Specialist	1	1	1
Total Administrative/Professional Group	20	23	25
Senior Management Group			
Chief Financial Officer	1	1	1
Director of Air Quality & Mobility Programs	1	1	1
Director of Freeway Construction	1	1	1
Director of Intergovernmental & Legislative Affairs	1	1	1
Director of Management Services	1	1	1
Director of Planning & Programming	1	1	1
Director of Transit & Rail Programs	1	1	1
Executive Director	1	1	1
Total Senior Management Group	8	8	8
TOTAL REGULAR POSITIONS	40	43	45

San Bernardino Associated Governments
Salaries and Benefits Schedule Fiscal Year 2009/20108
as Estimated in April 2009

	<u>Salaries</u>	<u>Retirement*</u>	<u>Deferred Comp</u>	<u>Workers Comp</u>	<u>Medicare</u>	<u>UI**</u>	<u>Flexible Benefit</u>	<u>Auto Allow</u>	<u>Contracted County Supp.***</u>	<u>Total</u>
Support Group	\$637,569	\$159,392	\$31,878	\$6,605	\$9,245	\$3,192	\$101,678	\$0	\$9,104	\$958,663
Accounting Assistants (3)										
Assistant to the Clerk of the Board (1)										
Clerk/Receptionist (2)										
Secretary (6)										
Adminstrative/Professional Group	\$2,685,439	\$582,760	\$174,828	\$72,686	\$33,800	\$6,384	\$203,355	\$0	\$19,076	\$3,778,328
Accounting Manager										
Administrative Analyst										
Air Quality/Mobility Positions (2)										
Clerk of the Board/Administrative Assistant										
Planning/Programming Positions (4)										
Public Information Positions (2)										
Transit Analyst (2)										
Transportation Planning Specialist										
Senior Management Group	\$1,404,146	\$354,488	\$105,311	\$44,992	\$20,360	\$2,128	\$67,785	\$55,200	\$6,358	\$2,060,768
Executive Director										
Chief Financial Officer										
Director of Management Services										
Director of Transit/Rail Programs										
Director of Intergovernmental/Legislative Affairs										
Director of Planning/Programming										
Director of Air Quality/Mobility Programs										
Director of Freeway Construction										
TOTALS	\$4,727,154	\$1,096,640	\$312,017	\$124,283	\$63,405	\$11,704	\$372,818	\$55,200	\$34,538	\$6,797,758

* Includes Survivor Benefits

** Unemployment Insurance

*** Includes Short Term/ Long Term Disability; Employer Assistance Program and Employee Health & Production Program; and Retirement Medical Trust Plans

<u>Employer Provided Benefits:</u>		<u>Mandatory Benefits:</u>	
Retirement	\$1,096,640	Workers' Compensation	\$124,283
Deferred Compensation	312,017	Medicare	63,405
Flexible Benefit Plan	372,818	Unemployment Insurance	11,704
Contracted County Supplemental Benefit	34,538		
Auto Allowance	55,200		
Total	\$1,871,213	Total	\$199,391

Hourly Staff Pie Chart

Staff budgeted hours spreadsheet

(2 Pages)

SUPPLEMENTAL INFORMATION

SANBAG Acronym List

AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
AE	Advance Expenditure
AEA	Advance Expenditure Agreement
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ARRA	American Recovery and Reinvestment Act
ATMIS	Advanced Transportation Management Information Systems
AVL	Automatic Vehicle Location
AVR	Average Vehicle Ridership
BAT	Barstow Area Transit
BNSF	Burlington Northern Santa Fe
BRT	Bus Rapid Transit
CAC	Call Answering Center
CALACT	California Association for Coordinated Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CALTRANS	California Department of Transportation
CARB	California Air Resources Board
CEHD	Community Economic and Human Development Committee
CEQA	California Environmental Quality Act
CHP	California Highway Patrol
CMA	Congestion Management Agency
CMAQ	Congestion Mitigation and Air Quality
CMIA	Corridor Mobility Improvement Account
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CPNA	Capital Projects Needs analysis
CSAC	California State Association of Counties
CTA	California Transit Association
CTAA	Community Transportation Association of America
CTC	California Transportation Commission
CTC	County Transportation Commission
CTSA	Consolidated Transportation Services Agency
CTSGP-CTAF	California Transit Security Grant Program – California Transit Assistance Funds
CTP	Comprehensive Transportation Plan
DIF	Development Impact Fee
DMO	Data Management Office
DOE	Department of Energy
DOT	Department of Transportation
E&D	Elderly and Disabled
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
ETC	Employee Transportation Coordinator
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOT	High-Occupancy Toll

HOV	High-Occupancy Vehicle
HPMS	Highway Performance Monitoring System
HPP	High Priority Projects
ICMA	International City/County Management Association
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
IMD	Interstate Maintenance Discretionary
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
JPA	Joint Powers Authority
LACMTA	Los Angeles County Metropolitan Transportation Authority
LLP	Longer Life Pavement
LNG	Liquefied Natural Gas
L RTP	Long Range Transit Plan
LTF	Local Transportation Funds
MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MDLS	Mountain/Desert Local Street
MDMLH	Mountain/Desert Major Local Highway
MDSDT	Mountain/Desert Senior and Disabled Transit
MIS	Major Investment Study
MLH	Major Local Highway
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
MTA	Los Angeles County Metropolitan Transportation Authority
MTP	Metropolitan Transportation Plan
NAT	Needles Area Transit
NEPA	National Environmental Protection Act
OA	Obligation Authority
OCTA	Orange County Transportation Authority
OWP	Overall Work Program
PA	Project Advancement
PAA	Project Advancement Agreement
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PPM	Planning, Programming and Monitoring Funds
PNRS	Projects of National and Regional Significance
PS&E	Plans, Specifications & Estimates
PSR	Project Study Report
PTA	Public Transportation Account
PTMISEA	Public Transportation Modernization, Improvement and Service Enhancement Account
PUC	Public Utilities Commission
RCTC	Riverside County Transportation Commission
RFP	Request for Proposal
RFQ	Request for Qualification
RIP	Regional Improvement Program
ROW	Right of Way
RSA	Regional Statistical Area
RTAP	Rural Transit Assistance Program
RTIP	Regional Transportation Improvement Program

RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users
SAFE	Service Authority for Freeway Emergencies
SB	Senate Bill
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SED	Socioeconomic Data
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SLP	State-Local Partnership
SOV	Single-Occupant Vehicle
S RTP	Short Range Transit Plan
SSTAC	Social Service Technical Advisory Council
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCI	Transit Capital Improvement
TCIF	Trade Corridor Improvement Fund
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TIA	Traffic Impact Analysis
TIP	Transportation Improvement Program
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TPA	Transportation Planning Agency
TSM	Transportation Systems Management
ULEV	Ultra Low Emission Vehicle
USFWS	United States Fish and Wildlife Service
UPRR	Union Pacific Railroad
UZAs	Urbanized Areas
VA	Value Analysis
VCTC	Ventura County Transportation Commission
VEB	Valley Express Bus
VF	Valley Freeway
VFI	Valley Freeway Interchange
VHD	Vehicle Hours of Delay
VLS	Valley Local Street
VMPR	Valley Metrolink/Passenger Rail
VMS	Valley Major Street
VMT	Vehicle-Miles of Travel
VS	Valley Subarea
VSDT	Valley Senior and Disabled Transit
VTMS	Valley Traffic Management Systems
VVMLH	Victor Valley Major Local Streets
VVLS	Victor Valley Local Streets
VVPDTMS	Victor Valley Projects Development Traffic Management System
VVSDT	Victor Valley Senior and Disabled Transit
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments
ZEV	Zero Emission Vehicle

San Bernardino Associated Governments

Glossary of Budget Terms

The following explanations of terms are presented to aid in understanding the narrative discussions and illustrations included in this budget document and the terminology generally used in governmental accounting, auditing, financial reporting and budgeting.

Accrual Basis

Method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

Annual Budget

A budget that is applicable to a single fiscal year. See BUDGET.

Audit

A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities. The auditor obtains this evidential matter through inspection, observation, inquiries and confirmations with third parties. See FINANCIAL AUDIT.

Basis of Accounting

A term used to refer to when revenues, expenditures, expenses, and transfers - and the related assets and liabilities - are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

Bond

Most often, a written promise to pay a specified sum of money (called the face value or principal amount), at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating governing body for adoption, and sometimes, the plan finally approved by the body. See ANNUAL BUDGET.

Budgetary Control

The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Budget Document

The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating governing body.

Debt

An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants and notes.

Debt Coverage Ratios

Comparative statistics illustrating the relation between the issuer's outstanding debt and such factors as its tax base, income or population. These ratios often are used as part of the process of determining the credit rating of an issue, especially with general obligation bonds.

Encumbrance

Commitments related to unperformed contracts for goods and services.

Expenditures

Decreases in net financial resources not properly classified as other financing uses. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service, capital outlays, intergovernmental grants, entitlements and share revenues.

Financial Advisor

In the context of bond issuances, a consultant who advises the issuer on any of a variety of matters related to the issuance. The financial advisor sometimes also is referred to as the fiscal consultant.

Financial Audit

Audits designed to provide independent assurance of the fair presentation of financial information.

Fiscal Year

A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

Fund

A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance

The difference between assets and liabilities reported in a governmental fund.

Generally Accepted Accounting Principles (GAAP)

Conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

Generally Accepted Auditing Standards (GAAS)

Rules and procedures that govern the conduct of a financial audit.

Generally Accepted Government Auditing Standards (GAGAS)

Standards for the conduct and reporting of both financial and performance audits in the public sector promulgated by the Government Accountability Office through its publication Government Auditing Standards, commonly known as the “Yellow Book.”

Independent Auditor

Auditors who are independent, both in fact and appearance, of the entities they audit. Both GAAS and GAGAS set specific criteria that must be met for an audit to be considered independent.

Internal Service Fund

Proprietary fund that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the government, or other governments, on a cost-reimbursement basis.

Joint Venture

A legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility.

Loan Receivable

An asset account reflecting amounts loaned to organizations external to the Agency, including notes taken as security for such loans.

Modified Accrual Basis

Basis of accounting used in conjunction of with current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are generally recorded when a liability is incurred, except for expenditures related to debt service and compensated absences, which are recognized when payment is due.

Operating Transfers

All interfund transfers other than residual equity transfers (e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.)

Other Financing Sources

An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends.

Other Financing Uses

A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends.

Overhead/Indirect

Expenses that cannot be specifically associated with a given service, program, or department and thus cannot be clearly associated with a particular functional category. These expenses include: rent, utilities, supplies management, general staff support, and general management and supervision.

Principal

In the context of bonds, other than deep-discount debt, the face value or par value of a bond or issue of bonds payable on stated dates of maturity.

Program

Group activities, operations or organizational units directed to attaining specific purposes or objectives.

Program Budget

A budget wherein expenditures are based primarily on programs of work and secondarily on character and object class.

Purchase Order

A document authorizing the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

Reserved Fund Balance

Portion of a governmental fund's net assets that is not available for appropriation.

Trustee

A fiduciary holding property on behalf of another.